Manitoba

Annual Report
1999 - 2000

Intergovernmental Affairs

Conservation Districts
of Manitoba

100-07621/

MINISTER OF
INTERGOVERNMENTAL AFFAIRS

Room 301
Legislative Building
Winnipeg, Manitoba, CANADA
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September 11, 2000

His Honour
The Honourable Peter M. Liba, C.M.
Lieutenant Governor of the Province of Manitoba
235 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Your Honour:

It is my pleasure to present to you The Annual Report of the Conservation Districts of Manitoba for the fiscal year ending March 31, 2000 together with the audited financial statements of the Districts for the same period.

Yours sincerely,

Jean Friesen

Jean Friesen
Minister

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CONSERVATION DISTRICTS COMMISSION
Room 309, Legislative Building, 450 Broadway Avenue, Winnipeg, MB. R3C 0V8

September 11, 2000

Honourable Jean Friesen
Minister of Intergovernmental Affairs
301 Legislative Building
Winnipeg Manitoba
R3C 0V8

Dear Minister:

I am pleased to present to you the Annual Report of the Conservation Districts of Manitoba for the fiscal year ending March 31, 2000.

It describes various programs in support of our economic and environmental resources, and demonstrates the continuing provincial commitment to the concept of sustainability.

Yours sincerely,

Marie Elliott
Acting Chairperson

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Manitoba Intergovernmental Affairs

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Manitoba Highways

Don Zasada
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Manitoba Conservation Districts Association

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[1] Deputy Minister of Intergovernmental Affairs, Winston Hodgins, is on secondment as President and Chief Executive Officer of the Manitoba Lotteries Corporation.

Foreword

The Conservation Districts Program operates under the authority of *The Conservation Districts Act*. The objectives of the Act are to provide for the conservation, control and prudent use of resources through the establishment of Conservation Districts and to protect the correlative rights of owners.

The Act provides for the creation of Conservation Districts (CDs) and requires the establishment of a Commission to oversee the activities of the Conservation Districts Boards. The legislation also requires the preparation of an Annual Report which will include: updates on the progress being made by each District in the implementation of their management plans; general remarks in respect to activities related to the establishment of new Districts; and the Auditor's Report for each District. The Manitoba Water Services Board is responsible for the day to day management of the Program.

To assist the Conservation Districts Boards, the Province provides grants each year for up to 75% of the cost of District Programs. In addition, the Districts receive funding through municipal grants and levies and from local landowners. Other sources of funds come from cooperating agencies such as Ducks Unlimited Canada and Prairie Farm Rehabilitation Administration (PFRA), as well as grants from many other public and private agencies. The Departments of Intergovernmental Affairs, Conservation, Agriculture and Food and other Provincial Government Departments also provide certain financial and advisory support to the Districts.

Since 1972, 11 Districts have been established and now cover approximately 50% of agro Manitoba. Draft proposals for two new Districts, namely Tiger Hills and Lake of the Prairies, have been prepared. The Upper Assiniboine River District is considering expansion with the Rural Municipalities of Woodworth and Archie.

Each District must prepare a management plan. These plans set out a long-term vision and goals and establish five year Programs and budgets. The Intermountain and Upper Assiniboine River Conservation Districts initiated their management plans during the 1999-00 fiscal year.

Four of the 11 CDs have responsibility for drainage within their Water Management Mandate. In recognition of the fact that many aging bridges and crossings exist within these Districts, the Province approved a special crossing infrastructure funding of $1.0M in 1999-00. This, in addition to the Infrastructure Renewal Reserve Accounts approved by the Province, has allowed these four Districts (Alonsa, Cooks Creek, Turtle River and Whitemud Watershed) to develop a strategy for the replacement and/or removal of aging infrastructure.

Other Areas of Interest

During the year, a number of meetings were held with various municipal groups who have shown interest in forming new Conservation Districts. The most notable of these are the following groups:

- Southeast Watershed (Seine, Rat and Roseau Rivers), including Municipalities of De Salaberry, Franklin, Hanover, La Broquerie, Montcalm, Piney, Ritchot, Ste. Anne, Stuartburn and Taché.
- Lake of the Prairies Watershed, including the Municipalities of Russell, Shellmouth-Boulton, Shell River and Silver Creek and the Towns of Russell and Roblin.
- Tiger Hills Watershed, including the Municipalities of Argyle, Glenwood, Oakland, Riverside, South Cypress, Strathcona and Whitewater.

As momentum is gained in environmental consciousness and governments and industries begin to promote, encourage and adopt the idea of sustainable development, the Districts will be recognized as having already carved out an important niche in this area. Indeed, many resource interest groups now recognize the Conservation Districts as leaders in resource management in the Province and see them as ideal organizations through which to implement cooperative resource management ventures. Their expertise and delivery structure can be utilized to ensure that the aspirations of sustainable development become a reality.

Program Activities

In 1999-00, in addition to the Provincial and local funding, the CD Program generated approximately $1.0M from external partnerships. The Program involves over 500 District and Sub-District Members with an annual expenditure of $5.2M, employing approximately 100 full and part time employees.

With the three levels of funding (Provincial, local and external), following is a summary of activities and/or accomplishments for the fiscal year 1999-00:

• Forage seeded	10,400 ha
• Drains maintained	1,440 km
• Grassed runways installed	24 km
• Gullies repaired	8 Projects
• Education Program	53 schools
• Crossings repaired/replaced	140 Projects
• Trees planted	116,000 trees
• Water storage	37 Projects
• Wells sealed	141 Projects
• Fisheries Projects	11 Projects
• Wildlife/Habitat Projects	38 Projects
• Watershed plans	11 Projects
• Stream/creek rehabilitation and stabilization	13 Projects
• External funding	$573,000 total
• Planned grazing systems	1,600 ha

District Expansions

Alonsa CD expanded to include the Rural Municipality of Lawrence, West Souris River CD expanded with the addition of the Rural Municipality of Cameron and the Intermountain CD expanded to include the Towns of Grandview and Gilbert Plains. These expansions will bring 79 municipalities, either wholly or partly into the CD Program, covering over 50% of agro Manitoba.

Expansions are being considered by the Upper Assiniboine River Conservation District to include the Rural Municipalities of Woodworth and Archie. Little Saskatchewan River Conservation District initiated expansion discussions with the Rural Municipalities of Strathclair and Park.

During the year, the formation of a number of new CDs was under consideration. These include the Lake of the Prairies, Tiger Hills and the Southeast (Seine, Rat and Roseau Rivers Watershed). Of these, the Lake of the Prairies and Tiger Hills have taken the first step of passing resolutions indicating their desire to partner with the Province.

The proposed Lake of the Prairies CD is expected to include the Rural Municipalities of Shellmouth-Boulton, Silver Creek and Russell, as well as the Town of Russell and the Village of Binscarth.

The proposed Tiger Hills CD is expected to include the Rural Municipalities of Argyle, Glenwood, South Cypress and Strathcona, as well as the Village of Glenboro.

Conservation Districts Program Summary

Conservation District Grants

Up to 75% of the costs of Conservation Districts Programs are funded by Provincial grants. The grants are provided in support of local District Programs such as drainage maintenance and rehabilitation, soil conservation, water storage, wildlife habitat, public education, administration and a variety of other resource conservation Programs.

CONSERVATION DISTRICT EXPENDITURES 1999-00

DISTRICT	PROVINCIAL GRANT	TOTAL EXPENDITURE
Whitemud	$670,000	$978,866
Turtle River	398,000	573,905
Alonsa	218,000	460,034
Turtle Mountain	298,000	582,134
Cooks Creek	192,000	875,172
Pembina Valley	220,000	608,853
West Souris River	168,000	555,138
Upper Assiniboine	165,000	325,883
Intermountain	121,000	257,505
Kelsey	52,000	76,477
Little Saskatchewan River	78,000	161,347
TOTAL	$2,580,000	$5,455,314

NOTE: - Please refer to the Audited Financial Statements in the appendices for details.

Special Crossings Infrastructure Funds

Three Districts received funding for replacement of aging drainage infrastructures, as well as the regular grants. The Provincial funds were matched on a 75-25 basis with local funds. The funds were allocated as follows:

Alonsa		$50,000
Cooks Creek		450,000
Whitemud[1]		500,000
	TOTAL	$1,000,000

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[1] The funds allocated to Whitemud have been placed in a special Infrastructure Reserve Account with The Manitoba Water Services Board. This fund will be utilized to replace aging infrastructure along PRs and PTHs.

Whitemud Watershed Conservation District

Introduction

The Whitemud Watershed Conservation District (WWCD), incorporated in March 1972, includes approximately 711,495 ha extending from Carberry north to Kelwood and from Portage Diversion west toward Minnedosa.

The area includes portions of 15 municipalities and 3 towns. There are eight Sub-Districts, determined by the drainage basins of the major tributaries of the Whitemud River. There are 67 Sub-District Members who act in an advisory capacity to the main Board, with each committee chairperson sitting on the Board.

WHITEMUD WATERSHED CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#35 - Willowbend Creek	Tom Tunski	Rossendale
#36 - Westbourne Drain	Wm. Wieler	MacGregor
#37 - Squirrel Creek	Minnie Paryniuk	MacGregor
#38 - Pine Creek	Roy McConnell	Gladstone
#39 - Central Whitemud	Glenn Montgomery	Neepawa
#40 - Upper Whitemud	Wes Pankratz	Minnedosa
#42 - Big Grass Marsh	Einar Sigurdson	Lakeland
#43 - Big Grass River	Danny Post	Waldersee
Provincial Appointee	Bud G. Johnson	Neepawa
Board Chairperson	Robert Rodgers	MacGregor

Summary

Following two years of poor conditions for works, the District was able, despite an extremely wet spring, to complete many Projects in 1999.

In the Water Control Program, 790.17 ha of drainage channels were mowed, 33.80 km of drains were upgraded, 1 headwater storage dam was built, 9 grassed runways were constructed, 4 Riparian Creek Fencing Projects to improve water quality were constructed and 6 Bank Stabilization Projects were completed. Twenty-one bridges and culvert crossings were repaired and 35 crossings were replaced.

Soil conservation initiatives saw 56 landowners seed down 920.69 ha of erosion risk soils to forages and 48.27 ha of field shelterbelts were planted. Newton Farms won the Conservation Farm Family Award. Shelterbelt Awards were presented to James McIntosh, Carl Bergquist and Barrie Donald.

The District sponsored a number of conservation education initiatives with area schools. The "Johnny Appleseed" Program provided 250 apple trees to Grade 5 students in 11 area schools. Over 2,000 trees were distributed to 9 communities through the "Conservation Tree Train" Program

TOTAL EXPENDITURES 1999-00

Activity	Expenditure
Water Management	
Maintenance	$414,243
Water Storage	2,619
Crossings	106,522
Soil Conservation	43,396
Habitat and Wildlife	59,212
Public Education/Extension	90,372
Program Management	
Administration	207,702
Program Support	34,800
Assets	
Infrastructure Reserve Account	20,000
TOTAL	$978,866

For further details see Auditor's Report, Appendix A.

Water Management

The District's Water Management Program includes the responsibility for the maintenance and reconstruction of 1,600 km of man-made drains. It also includes the repair and replacement of bridges and culvert crossings (1,100 in total). Other water management activities include construction of grassed runways to prevent soil erosion, small dam construction to store water, shale trap installation to prevent channel sedimentation and Gully Stabilization Projects. The District completed a Water Quality Sampling Program along the Whitemud River in partnership with Manitoba Conservation.

Each Sub-District implemented one or more specific Projects within its area. They are as follows:

Sub-District #35:

- Three traps repaired.
- Reshaped the Upper Rat Creek, Thompson, Tomchuk and Lelant Drains.
- Two crossings replaced through the Infrastructure Program, also one through Sub-District Program.
- Partnered with Rural Municipality of Portage la Prairie and Manitoba Conservation with a Diversion Project.

Sub-District #36:

- Three crossings replaced through Infrastructure Program.
- Purchased culverts in a partnership with Manitoba Highways and the Rural Municipality of North Norfolk.
- Maintenance on three small dams.
- Numerous crossing repairs done.
- Reshaped Westbourne, Bagot and Youill Drains.

Sub-District #37:

- Five crossings replaced through the Infrastructure Program.
- Reshaped Squirrel Creek and Critchlow Drain.
- Repairs on numerous crossings.

Sub-District #38:

- One crossing replaced through the Infrastructure Program, two crossings replaced by Sub-District.
- Cleanouts on three drains.
- Leafy spurge control continued.
- Numerous crossing repairs done.

Sub-District #39:

- Leafy spurge control continued.
- Cleanouts on three drains.
- One small dam constructed.
- Partnership with Town of Neepawa, cattail control at Lake Irwin.
- Maintenance on various crossings.
- Reshaping on three runways.

Sub-District #40:

- Worked on six runways, some not completed due to wetness.
- Some maintenance on small dams.
- Mowing maintenance on runways.

Sub-District #42:

- Two crossings replaced by Sub-District, 10 through the Infrastructure Program.
- Leafy spurge control continued.
- Cleanout on Watson Drain continued.
- Reshaping of Pratt Drain continued.
- Reshaping of Gopher Drain to be continued.
- Various repairs on crossings.
- Survey on other drains.

Sub-District #43:

- Nine crossings replaced through the Infrastructure Program, one crossing replaced by Sub-District.
- Cleanouts on Big Grass, Kelwood, Kittner and Pocket Lake Drains, three other minor cleanouts.
- Spraying of willows in drains.
- Three shale traps constructed.
- Cooperated with Manitoba Highways and Rural Municipality of Alonsa on Lone Spruce Drain cleanout.
- One gully stabilization done.
- Numerous beaver dams removed due to a lot of rainfall during the year.
- Maintenance on various crossings.

Soil Conservation

Forage Assistance Program: There were 920.69 ha seeded to forage by 56 landowners on erosion risk soils. Cost sharing was 75% landowner and 25% District.

Shelterbelt Assistance Program: There was 48.28 km of new plantings, which included field shelterbelts, wildlife tree and block tree plantings. Shelterbelt Awards were presented to the McIntosh, Bergquist and Donald families.

Riparian Program: Four "Healthy Streambanks" Projects were developed to promote livestock management and improved water quality along the Whitemud River Watershed.

Wildlife and Habitat Programs

Wildland Habitat Preservation: Three new Wildland Projects were established and signs were erected at each site. Thirty-one Conservation Corners planted. The Upper Whitemud Basin Study was undertaken. This study identified over 50 potential Projects to improve habitat, wildlife and farming practices along Stoney Creek, Boggy Creek and the Brookdale Drain.

Public Education and Extension Services

- Two hundred fifty Boy Scouts planted 18,000 trees
- Neepawa Grade 4 students planted 2,000 trees at Neepawa Archery Range
- Two hundred fifty Grade 5 students received a 5 foot apple tree
- Conservation Tree Train delivered 4,000 trees to 9 communities
- Summer and winter editions of Whitemud Newsletter distributed
- District appeared in print media over 100 times
- Utilized radio advertising for Programs and promotion
- Over 20 presentations/tours given highlighted by 12 presentations to students and 4 producer seminars
- Conservation magazine subscriptions purchased for 12 school libraries
- 28th annual Whitemud Bonspiel held
- Met twice with all 18 Councils in District
- Distribution of District placemats
- Participated in Assiniboine Community College Rural Development Job Shadow Program

External Funding

The Board had an excellent year regarding cooperative Projects and funding assistance from external agencies. A summary is as follows:

Program/Partner	Funding
Summer Career Placement	$3,030
National Soil and Water Conservation (Prairie Farm Rehabilitation Administration)	6,862
Manitoba Agricultural Sustainability Initiative	3,300
Manitoba Hydro Tree Program	5,000
Ducks Unlimited Canada	13,730
Fisheries Enhancement Initiative	25,000
TOTAL	$56,922

Administration

This Program includes staff salaries and expenses, remuneration for the Board and Sub-District Members, rent and operating costs. Staffing remained unchanged for 1999.

Turtle River Watershed Conservation District

Introduction

The Turtle River Watershed Conservation District #2 (TRWCD), incorporated in 1975, includes approximately 235,000 ha located between the Riding Mountain Escarpment and Lake Dauphin and encompasses the combined drainage areas of the Turtle and Ochre Rivers. The District is divided into three Sub-Districts. Included in the Sub-Districts are: the Village of McCreary and the Town of Ste. Rose du Lac, all or part of the Rural Municipalities of Alonsa, Dauphin, Lawrence, McCreary, Ochre River, Rosedale and Ste. Rose.

TURTLE RIVER WATERSHED CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#44 - Upper Turtle River	Dean Allan	McCreary
#45 - Lower Turtle River	Herman Schroeder	Ste. Rose
#46 - Ochre River	Gordon McIntyre	Ochre River
Provincial Appointee	Denis Maguet	Ste. Rose
Board Chairperson	Vacant	

Summary

The Board of the TRWCD continued to place emphasis on the maintenance of agricultural drainage channels and crossings. As well, the District continued its watershed management in the Crawford Creek Basin by continuing with erosion repairs on the Rehabilitation Project. A majority of the area within the TRWCD experienced heavy precipitation with amounts exceeding 557 mm between May 1 and October 31, 1999. The TRWCD also adjusted to a change in management and administration with the resignation of Mike Boychuk and Melanie Feschuk. Sheldon Anderson was hired as new District Manager and Lisa Lepla assumed the responsibilities of Administrator.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$162,930
Land Management Services		24,320
Ste. Rose Flood Protection System		8,557
Crossing Repair and Replacement		91,051
Soil Conservation		23,739
Public Education and Extension		16,991
Administration		151,539
Program Support		47,925
Inventory Sales – Net		(1,353)
Custom Work		28,798
Depreciation		9,216
Asset Purchase		10,192
	TOTAL	$573,905

For further details see Auditor's Report, Appendix B.

Water Management

Crawford Creek Rehabilitation - The TRWCD continued the Crawford Creek Rehabilitation to allow a portion of low flows back into the natural Crawford Creek. The original Creek was diverted along a road allowance to the Ochre River. Work completed in 1999-00 included bank stabilization in various locations and the installation of a fence to restrict livestock access within the Creek.

Flood Protection - The 10th annual payment of $8,557 was made towards Flood Protection for the Town of Ste. Rose du Lac. This Project was funded under a Federal-Provincial agreement and costs were shared at 45% - Federal Government; 50% - Provincial Government; and 5% - TRWCD. The agreement provided for equal payments by the District over a 10-year period.

Land Management Services (LMS) - The District initiated the finalization of numerous outstanding right of way issues that included payments for land acquisition, processing fees, legal fees, landowner tax repayments and interest which has been compounding annually for several years.

Drain Maintenance - In addition to regular vegetation maintenance by mechanical brushing and spraying on various agricultural drainage channels, work under this component included minor repairs, seeding and levelling of 1998 works on the Kutcher Overflow, Bonin, Bottrell, Casavant, Parthenay Drains and McKinnon Creek. General/minor drain works were completed on a number of areas with major upgrading works being undertaken on the Beasse, Ives, Bottrell, Dirauf and Rosedale Drains.

Beaver Maintenance - Throughout the year, the District incurred the most severe and expensive beaver management problems experienced in recent years. These efforts were only directed at problems created within District drains and right of way.

Water Quality Monitoring - The District continued to collect water samples from the Turtle and Ochre Rivers on a monthly basis in cooperation with Manitoba Conservation. Samples are being collected on an ongoing basis to further study the surface water quality within the District.

Miscellaneous – Annual spring icing and flooding problems were also addressed on an ongoing basis.

Crossing Repair and Replacement

In addition to the 10 crossings replaced/upgraded/installed by the District Labour Crew, numerous sites were repaired/upgraded and maintained on an ongoing basis. The District continued updating an overall inventory of all the crossings within the District on the Geographical Information System "Watershed - The System".

The District replaced two major and one minor crossing with the funds that were allocated by the Province of Manitoba. The Province of Manitoba provided funding in the amount of $250,000 to address critical crossing structures within the TRWCD, on a 75-25 cost-share basis with the 25% local municipal share of $83,333 being allocated and spent by the end of the 1999-00 fiscal year end. A total of 19 critical structures were addressed.

Soil Conservation

Forage Program - In its 22nd year, 52 producers participated in the Program with 490 ha being seeded down to forage. Costs for this Program were shared at 56% District, 44% local share.

Bufferstrip Program - The District continued in its initiative to encourage producers to seed down forages along District drainage channels. The TRWCD provided 50-50 cost sharing to producers, with 2 landowners participating in seeding down 15 ha of bufferstrips.

Grassed Waterway Program - One producer participated in the Program seeding 1.21 km of natural water runs, preventing soil erosion runoff into Henderson Creek.

Rural Municipality Road Allowance Seeding Program - Every year, the District, in conjunction with its Rural Municipalities, seeds down road allowances along newly constructed roads to prevent erosion. The District also provides custom spraying to Rural Municipalities and Manitoba Highways on a 100% cost recovery basis.

Shelterbelts/Plastic Mulch Application - The District assisted two landowners in establishing shelterbelts, utilizing plastic mulch to control competitive weed growth adjacent to the Project sites.

Deciduous Riparian Vegetation Assessment and Rehabilitation Project (DRVARP) - The District continued to assess and promote landowner participation in planting vegetation demonstration sites along the Ochre and Turtle Rivers. Work will continue into the next fiscal year.

Multiple Resource Projects

The District continued to maintain and enhance the 275 ha land acquisition that was completed in 1998-99. Preservation of the last intact Alluvial Fan in Manitoba will allow future generations to explore and appreciate one of the many natural phenomenon located within the District.

Recreation

CN Right-of-Way Purchase - The TRWCD finalized the purchase of an abandoned CN line from Ste. Rose du Lac to Ochre River. An assessment of crossings, flora and fauna was initiated to determine the feasibility of recreational opportunities and public use of the system.

Wildlife Projects

Wildlife Incentive Program - A one-time payment of $300 is offered to local landowners under the Wildlife Incentive Program in return for leaving private land untouched for wildlife and other conservation benefits. To date, a total of 528.54 ha of wildlife habitat have been cooperatively set aside.

Bluebird House Program - The District expends a small amount of dollars toward the purchase of material for bluebird houses. Summer students and Watchdogs for Wildlife personnel monitor these 30 houses to determine any increase in bluebird population in the area.

Public Education and Extension

The District Conservation Farm Family in 1999 was John Hardman and Family of Ochre River and the Youth Speaker was Melissa Wollmann of McCreary. Melissa was also successful in repeating as Youth Speaking champion at the 1999 Manitoba Conservation Districts Association Annual Conference in Brandon, Manitoba.

National Soil Conservation, Forestry, Wildlife and Environment Week activities included:

- Soil and Water Conservation colouring contest in Grade 3, open once again to all schools within the District (three prizes per class);
- Newspaper, radio and television coverage;
- Distribution of take-home trees, classroom posters and presentations; and
- Field trips to Riding Mountain National Park.

The District is a member of many organizations from which to network, find partnerships and new innovative ideas. The TRWCD also supports many community efforts by supplying various promotional items. As well, the District staff assisted in preparations for the annual Ducks Unlimited Canada Banquet and Auction.

The District maintains a comprehensive, up-to-date inventory of slides and pictures of all District initiatives for educational purposes.

The Board is involved in community fairs to promote the District at various summer events, as well as hosting an Annual Banquet, open to the public, to inform of its yearly progress.

The TRWCD continued to work with The Manitoba Water Services Board and Manitoba Conservation Water Resources Branch, Computer Services, in completing a revised TRWCD map.

Administration and Program Support

Administrative costs include staff salaries and expenses, Board and Sub-District Members (23 members) remuneration, rent and office operation costs. The District office staff is maintained at two full time, one term and one part time personnel. The TRWCD also employs a five full time seasonal works crew and with the assistance of the Summer Career Placement Program and the Hometown Green Team Program, one summer student was hired to assist in many District initiatives.

Alonsa Conservation District

Introduction

The Alonsa Conservation District (ACD), which lies along the western shores of Lake Manitoba, encompasses approximately 341,000 ha with the addition of the Rural Municipality of Lawrence this year, which increased the size by approximately 30%. The area has been experiencing agricultural development and the District has been involved in Soil and Water Management Programs since its inception in 1978. Soil and water management decisions are made mostly on the basis of resource conservation and environmental awareness.

The landscape is a series of gentle undulations of ridges and sloughs and includes, during the present year of operation, the major watersheds of Garrioch Creek, Hamlin Drain, Sucker Creek and Reedy Creek, along with several others, which drain into Lake Manitoba, Lake Ebb & Flow and Lonely Lake.

District Programs include water and soil management as well as fisheries, wildlife, forestry, historical, educational and recreational Projects.

ALONSA CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

#107 – Crane River/Hamlin Drain	Steve Kindzerski	Rorketon
#110 – Garrioch Creek	Leonard Ryzner	Alonsa
#113 – Lonely Lake/Ebb & Flow	Eldon Campbell	Kinosota
#157 – Weiden Drain	Steve Sliworsky	Rorketon
#160 – Kinosota Ridge	Clifford Elke	Amaranth
Provincial Appointee and Board Chairperson	Edward Zdan	Alonsa

Summary

The District's varied Program activities, including National Soil and Water Conservation Program (NSWCP), Channel Maintenance, Crossing Repair and Replacement Program, Pickerel Spawning Project, Forage Seed Program under the Soils Conservation Program, Forestry and Wildlife Programs, Tree Planting Projects, Infrastructure - Crossing Repair Program, Educational Extension Programs and development of aboriginal historic sites, maintenance of existing trails and Projects, as well as educational activities, reflect the Board's commitment to carry out its mandate of conserving, sustaining and preserving all the diverse resources which make this area unique and keep the local economy strong.

The ACD continues to enjoy funding support to carry out its diverse Programs from Intergovernmental Affairs, as its main partner, and also from Manitoba Agriculture and Food, Fisheries Enhancement Fund, Federal and Provincial Student Employment Programs, as well as forming funding partnerships with local producers for Programs that are based on a common interest in the environment and sustainable development.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$65,479
Crossing Repair		11,421
Soil Conservation		70,841
Forestry		4,758
Wildlife		13,809
Fisheries		8,557
Public Relations and Education		37,555
Administration		118,437
Depreciation		2,156
NSWCP		4,849
Alex Robertson Museum		11,630
Infrastructure Project		65,045
Infrastructure Reserve Fund		13,333
Geographic Information System (GIS) Expansion		32,162
	TOTAL	$460,032

For further details see Auditor's Report, Appendix C.

Water Management

The District continued to focus this year's Program on the upkeep and repair work of existing drains and Projects within the Alonsa Conservation District. Beaver damage control and clean out of several overgrown drains formed the major part of the Water Management Program for this year. A great deal of survey work was also carried out in the newly expanded portion of the District. Water Rights Licences have been applied for on a number of Projects. Two Well Capping Projects were also carried out for a total of $805.

Crossing Repair and Replacement

The regular repair and replacement of a number of aging crossings accounted for the expenditures under this Program. Dwindling supplies of crossing materials were replenished in anticipation of heavy demand.

Infrastructure Program

Under this specially funded Provincial Infrastructure Program, crossing replacement and upgrading was carried out at 2 locations, SE. 4/SW.3-20-12W and SE. 16/SW.15-20-12, for a total of $65,045.

Soil Conservation

The Forage Seed Program continues to form an important part of the Soil Conservation budget, as the most feasible treatment for the soil classification, which covers most of the District. A total of $69,869 was expended on the Forage Seed Program this year. Tours were conducted of the Municipalities of Lawrence and Alonsa, visiting District Projects, drains and points of interest, to familiarize Board Members and Councillors with both Districts in view of the upcoming expansion plans.

Forestry

Under the Forestry Program, some plantings at local recreation and town sites took place in the Villages of Amaranth and Alonsa. Trees were also distributed through Manitoba Agriculture at local schools as part of the Educational Program. Manitoba Hydro also cooperated in the creation of a small park at Amaranth. Under the NSWCP the District also planted an experimental Project of poplars and some other varieties in a plot which was tilled and weeded in cooperation with a local producer, the District and Manitoba Agriculture.

Wildlife

The Habitat Enhancement and Bird Feeding Stations Program constituted the bulk of this year's Wildlife Program. Feeding stations were maintained on the Bluff Creek Nature Trail and the Bacon Ridge Ecological Complex. The District also cooperated with the Turtle River School Division, the Alonsa School and Environmental Youth Corp Program to hold a "Conservation Day" during which students dug and potted a number of spruce trees for resale and built 40 bluebird boxes and duck nests, sponsored by Ducks Unlimited Canada (DUC) and hung them at various locations around the District. Work also started on the World Wildlife Fund LAFES "Community Pastures Review for Protected Lands Status", which is a joint Project between the ACD and the World Wildlife Fund who are contributing the entire $30,000 for the Project.

Fisheries

The Pickerel Spawning Project was carried out again this year, facilitated by the usage of the deep well drilled at the site last year. Total cost of the Spawning Project was sponsored by several different agencies, including the Fisheries Enhancement Fund and the Manitoba Fishermen's Association and the

Alonsa Conservation District. Pickerel eggs were collected at the Lonely Lake Drain and distributed along the lake as fry after hatching. Also under the Fisheries Enhancement Fund, fish riffles for spawning beds were constructed along the Garrioch Creek. Sucker Creek was upgraded to allow fish to migrate further upstream. The continuance of the Fisheries Project and the Forage Seed Program, with its producer participation, and Board support of the ecotoursim efforts, attest to the Board's commitment to help strengthen the local economy.

Recreation

While no monies are directly expended within this category, the maintenance of existing trails and Projects such as Bluff Creek Nature Trail, Bluff Creek Church, Jackpine Ridge Wayside Park, Portia Marsh Interpretative Centre, Bacon Ridge Complex, Amaranth Marsh Project, Lady Slipper Viewing Site and the Thunderbird Nest are all multi-disciplinary.

Public Education

Considerable effort is expended to promote the District's features through various channels. Tours of the Portia Marsh Interpretative Centre are conducted regularly and many casual visitors come to this site. Other sites to which tours and many visitors come include the Bacon Ridge Complex, the Bluff Creek Nature Trail, the Lady Slipper Viewing Site, the Jackpine Ridge Wayside Park and of special interest to aboriginal groups is the Thunderbird Nest Site, Tobacco Rock Site and the site of the aboriginal petroform called the Medicine Wheel, which lies within the Alonsa Prairie Farm Rehabilitation Administration (PFRA) pasture. Signage at all these sites make them self-guiding and educational. Perhaps one of the most novel of these Projects is the restoration of the Bluff Creek Church, which now forms part of the attraction of the Bluff Creek Nature Trail.

Detailed descriptions of the District's facilities and invitations to tour have been sent to all the schools within the District as well as schools that are within a reasonable travelling distance. The Manager, University summer student staff and DUC staff continue to guide these tours.

Maintenance work on all Projects and construction of new ones continues to be mostly due to the efforts of students hired under various employment Programs, including the Summer Career Placement, Green Team and the On-site Program. These students come away with a sense of pride in the work they have done, landscaping skills they will carry with them throughout their lives and a new awareness of wildlife and nature. This makes them more receptive to the presentations given at the school by the Manager. The District also donates a number of magazine subscriptions to each of the schools, sponsors a Tree Planting Project with several grades and sponsors various awards for students, as well as the Conservartion Farm Family Award, which this year went to Steve and Anita Kindzerski and Family of Rorketon.

Heritage

The District continued to support the efforts of the Alex Robertson Museum and $11,630 was expended this year on various Projects, including participation in the restoration of the Bluff Creek

Church, a historical landmark. Monies raised locally or through external grants cover these expenditures.

Administration

The District administration costs, consisting of staff salaries and expenses and Board remuneration, have remained fairly constant for the past few years. Vehicle expenses and office expenditures reflect the increased cost of the expanded District.

Depreciation

Depreciation of the District's cost shared equipment amounted to $8.54 and for non-cost shared equipment the depreciation was $2,148.

Assets

As part of the District's desire to avail itself and landowners with the most progressive technology available to assist in development of Conservation Programs and crop production schemes for precision farming, we have purchased GIS Software and the computer equipment to operate it, under separate funding.

Turtle Mountain Conservation District

Introduction

Situated along the international boundary in the southwest corner of the Province lies the 4,260 square km Turtle Mountain Conservation District (TMCD). Consisting of five rural and four urban municipalities, the TMCD is bounded on the west by the historic Souris River and to the east by Pelican Lake and the upper reaches of the Pembina River Watershed. The unique features of the District include the northern slope of the glacial Turtle Mountain uplands and Whitewater Lake basin. At the foot of the uplands lies a flat, intensively farmed agricultural plain, traversed by several natural creek systems and potholes. It is this mix of topography and natural resources that gives rise to much of the activity and Programming of the TMCD.

Locally, contributing members of the TMCD include the Rural Municipalities of Arthur, Brenda, Winchester, Morton and Turtle Mountain and the Towns of Killarney, Boissevain, Deloraine and the Village of Waskada. The area represented by these corporations is further sub-divided into seven watershed Sub-Districts.

The goal of the District is soil and water resource management in its broadest sense and Programs and Projects offered by the District have typically addressed concerns as they relate to these resources. Specifically, Programs will target water management and utilization, soil management in terms of annual cropping and permanent cover regimes, wildlife habitat and fisheries, historic and heritage resources and public education. Programs and Projects are primarily designed to be delivered at the farm level, however they invariably have much larger community ramifications. The TMCD consistently partners with a number of agencies and individuals in the public and private sector in an effort to cooperate on the delivery of joint Projects and Programs of mutual concern. The primary method of delivery is via a large network of Sub-District representatives and an active extension Program.

The major supporting partner for the Program is Manitoba Intergovernmental Affairs, with a host of cooperating agencies and various departments of government at all levels. Of course it is the cooperation and support of local landowners that allows the TMCD to offer a sound, well supported Program of sustainable resource management for a very unique region of Manitoba and Canada.

TURTLE MOUNTAIN CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#58 - Wakopa Creek	Greg Bruce	Killarney
#59 - Upper Pembina	Brian Hammond	Boissevain
#64 - West Arthur	Brian Fletcher	Coulter
#65 - Waskada Creek	Keith Hannah	Waskada
#66 - Medora Creek	Don Greig	Melita
#67 - Chain Lakes	Murray Dillabough	Deloraine
#68 - Elgin Creek Whitewater Lake	Carl Bjarnason	Deloraine
Provincial Appointee	Don Millar	Waskada
Board Chairperson	Cliff Snyder	Melita

Summary

The spring of 1999 arrived with a significant but not remarkable runoff and for the most part infrastructure functioned well within the design and suffered virtually no ill affects. The feeling of success was, however, somewhat short lived as the "flood of the century" for southwest Manitoba began to unfold. On May 4, rainfall in quantities not witnessed by most people in this region, began and persisted over the next six weeks. By its conclusion, the damage to the farm industry and local infrastructure was extensive. All forms of activity other than on passable roads ground to a halt and remained idle for the duration of the wet period. By the end of June, drier weather allowed for the resumption of some farming activities and for the District to begin the task of assessing damage.

Erosion to small dams was most notable, especially tearing of earthen spillways that were flowing for weeks on end. Extensive flooding left thousands of ha unseeded and those that were seeded were severely damaged by water and excessive weed growth. Delivery of Soil Management Programs was adversely affected and Water Programs quickly evolved into damage control and reconstruction activities.

As the summer wore on, dry weather dominated, allowing for the completion of a major portion of the repair work and the delivery of some new Projects. Externally funded Programs were delivered on target and regular TMCD Programs were completed by year end. From the end of June through to year end (March 31, 2000) the region received virtually no precipitation, in sharp contrast to the beginning of the year, and as the year wound to a close the region was in a virtual drought. So marked was the contrast and lack of snow cover that soil erosion, especially in the western portion of the District, was severe. In fact, tillage equipment was in the field in February in a failed attempt to halt wind erosion.

The 1999-00 fiscal year was one of the most remarkable years for both conservation and agri-business in the southwest. Producers frustrated by the severe flooding and rainfall of spring worked late into a drought fall digging drainage ditches in an effort to prevent a repeat occurrence the following year. The drought persisted into the spring of 2000.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$176,574
Soil Conservation		160,095
Wildlife		16,022
Public Education and Extension		22,630
Administration		133,119
Equipment		46,452
Depreciation - Equipment		25,412
Inventory		1,830
	TOTAL	$582,134

For further details please see Auditor's Report, Appendix D.

Watershed Management

Works involving water management were largely targeted at the reconstruction of damaged infrastructure following the greatest recorded volume of continuous precipitation. Approximately 15% of the small water storage structures in the region suffered significant wear and required attention prior to another spring runoff. By the close of the season all required repairs had been completed, along with some gully and runway restoration. The District plans to carry out the inspection of the major creek systems such as Medora and Waskada Creek for potential unreported damages. With the exception of some minor creek reconstruction in the West Arthur and Upper Pembina Sub-District, new works were deterred in favor of repairs. All Projects that could potentially involve *The Water Rights Act* are referred to Manitoba Conservation for their comment.

Water management planning is unfolding in three distinct directions: 1) local producer driven groups working within a specific watershed area cooperating to determine a plan for that specific area, 2) the initial stages of water management discussions among Members of the District, participating municipalities and supporting private and public agencies, 3) specific action within a Sub-District of the TMCD to undertake water management works, i.e. the Killarney Lake Water Quality Committee and the efforts of the Wakopa Creek Sub-District to address management concerns in the Long River Watershed, as well as the Elgin Creek Sub-District efforts to revisit the Turtle Head Creek Riparian Project.

The season closed with a marked absence of precipitation, effectively plunging the District into a drought for the remainder of the year. The lack of precipitation after July 1 was as notable as the huge amounts received prior to that date.

Of major concern within the region is the conflict arising from the efforts of some producers to continue uncontrolled drainage activities, having little regard for management and proper use of the resource or for neighboring farm land and the consequences of their actions.

The TMCD continues to promote a host of riparian management options for producers, water quality sampling, abandoned well sealing, habitat and fisheries activities that involve water management options as well.

Soil Conservation

Weather controlled and influenced the entire realm of activities in the District this past year and the unprecedented rainfall had profound and adverse affects on the soil resources of the District. For instance, gully erosion on cultivated land was nothing short of horrendous! Thousands of ha of annual cropland remained unseeded and efforts to control the ensuing weed growth left the land exposed and vulnerable later in the year. Dust storms were commonplace late in the fall, and with a lack of snow cover, continued periodically throughout the entire winter. In fact, Christmas day dawned windy and by noon the sky was gray from blowing topsoil!

The Forage Seed Assistance Program was delivered on target with the seed in the hands of producers prior to the spring rains. Those that managed to get forages seeded were okay, however much of the seed was only planted late in June or as a fall dormant seeding. Approximately 2,023 ha were addressed through the Program involving 150 producers. The Program was supplemented with forage options from Ducks Unlimited Canada (DUC) and the Covering New Ground Initiative of Manitoba Agriculture and Food. The District offered two specialized drills for seeding both grass and forage, however use was much reduced as a result of prevalent weather conditions.

Tree Planting Programs involved approximately 25,000 seedlings, but were plagued also by adverse weather. Interest in plastic mulch remained high as a weed control option.

The District continues to offer conservation tillage options in cooperation with DUC, primarily in the form of cash payments for no-tilled land where retained water on the land meets DUC criteria. The District experimented with a small Program for fall seeded crops. Interest in planned grazing for rangeland remains high with numerous inquiries and a variety of Projects from simple cross fencing to more elaborate systems. To complement the Livestock Program, the District obtained external funding for the demonstration of sloped access ramps into watering areas. The ramps provide single point access to dugouts, sloughs, ponds, streams and small dams. Fifteen Projects were successfully delivered and have generated significant interest in the farm community. It is anticipated that all Sub-Districts will adopt a Program to promote these ramps on a regular basis. The District continues to seed runways, gullies and disturbed road allowances as a service to landowners and municipalities.

Wildlife

Probably the highlight of the year in terms of habitat protection was the successful completion of a "Conservation Easement Agreement" between the TMCD and DUC on a parcel of land owned by the District. This agreement was undoubtedly one of the first in the Province to be signed using the new Legislation and involved 64.75 ha.

The District signed a habitat lease in the Wakopa Creek Sub-District and completed the purchase of property on Dromore Lake near Canada Creek in cooperation with Manitoba Conservation.

The majority of Habitat Projects are completed using external funding primarily in cooperation with DUC. These include habitat leases, riparian protection and wetland retention Projects.

The District cooperated with Manitoba Conservation Fisheries staff to rear walleye fingerlings in the L-8 Dam south of Deloraine, however results from the Project were poor for the second year in a row. Predation within the pond during the season resulted in low numbers of survivors. Continuation of the Project will be dependent upon fisheries staff. The District continues to support the aeration system of the Derksen Heide Dam in an effort to maintain fish habitat and water quality in the reservoir. Purchase and placement of appropriate signage for habitat protection and cooperators, as well as for "Conservation Corridors", remains an active part of the Habitat Program.

Public Education

One of the highlights of the past year was the further development of the "Newcomb's Hollow" Interpretive Site. The property features one of the longest remnants of the Boundary Commission Trail left in existence, is an excellent representation of native oak savanna and will probably become the focal point for information on the Turtle Head Creek Riparian Project. A cooperative effort by the local Historical Club resulted in the construction of a small log cabin to commemorate the original Land Titles Office at the site. In addition to the development of the site, the property hosted the 125th Reenactment Ride of the Northwest Mounted Police and was probably the only site along the trail where participants spent the night on exactly the same ground as the original riders. The District also maintains the Metigoshe Natural Area, a 44.51 ha parcel of land open to public use and interpretation and are assisting in the continued development of the Whitewater Lake Wildlife Viewing Project near Boissevain.

The "Conservation in the Classroom" Program remains popular among local schools allowing for a host of conservation and environment related learning activities. Projects include the continued development of in-school training using the greenhouse, bus tours and field trips both locally and abroad, as well as sponsorship of Educational Projects such as Eco-van. The District continues to promote educational publications and books to the local schools.

Other activities include tours of various District Demonstration Projects, public speaking engagements, various publications, radio ads, special edition articles such as the spring Ag Issue and annual meetings, both locally and with the Provincial Program. The District continues to maintain a strong Extension Program, recording calls to and from the office, visitors and field visits.

Administration

The Administrative Program provides for staff salary, expenses and remuneration of Board and Sub-District Members, rent and miscellaneous operating costs.

The District also takes advantage of external administrative support wherever possible through Programs such as Green Team. The District also received tremendous external support, both financial and technical, from a number of agencies and individuals.

Equipment and Inventory

Additions to equipment and inventory included office equipment for the Killarney satellite office, the purchase of a JD 750 No-till drill with funding support from DUC, a light duty pickup truck and transfer pump required specifically for filling retention ponds with associated tankloads.

Cooks Creek Conservation District

Introduction

Established in 1979, the Cooks Creek Conservation District (CCCD) lies east of Winnipeg and includes most of the Cooks Creek Watershed which discharges into the Red River and parts of the Carrs Creek and Lower Seine River basins, both of which drain into the Red River Floodway. Topography, soils and vegetation of the Watershed are distinguished by an eastern upland area and a central lowland area. The District's proximity to Winnipeg has led to an influx of commuter residents in the rural areas, as well as the communities of Anola, Cooks Creek, Dugald, Oakbank, Ste. Genevieve and Richer. The 86,200 ha Conservation District includes most of the Rural Municipality of Springfield and smaller portions of the Municipalities of Brokenhead, Reynolds, Ste. Anne and Taché.

COOKS CREEK CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#9 - Lower Seine River	Don Lannoo	Dugald
#11 - Cooks Creek	Glenn Keilback	Beausejour
#12 - Carrs Creek	George Sokal	Oakbank
Provincial Appointee	Bob Anderson	Dugald
Board Chairperson	Garry Brown	Dugald

Summary

The District was pleased to receive special Provincial Crossing Infrastructure funds to replace eight bridges and several other culvert crossings. The District's annual Program to maintain and upgrade its network of agricultural waterways and to repair crossings continued.

A fisheries-riparian study was undertaken for the Cooks, Edie and Satans Creeks. Eighteen abandoned wells were sealed to protect groundwater. Water quality samples continue to be taken from six locations in Cooks Creek.

The District sponsored the Ducks Unlimited Canada (DUC) Oak Hammock Marsh "On the Go" Program to visit two local elementary schools.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$162,028
Water Quality		20,655
Fisheries		6,506
Crossing Replacement		582,112
Crossings Repairs		19,434
Public Education		9,954
Program Management		70,296
Assets		4,187
	TOTAL	$875,172

For further details see Auditor's Report, Appendix E.

Water Management

The District is responsible for the maintenance and improvement of over 500 km of waterways. This year saw channel reconstruction undertaken for 2.5 km of drains. Wind erosion required the earth cleanout of 15 km of drains. Earth cleanouts were also done for another 2 km. Grass seeding was done for 5 km and mowing or brushing was done along 17 km. The Program also included land acquisition for drain right-of-way, beaver population control and removal of beaver dams.

The District hired a works coordinator to manage construction works. A survey crew was also hired with funding help from Human Resources Development Canada and from the Manitoba Green Team Program. The District also purchased a total station survey instrument to provide survey elevations for Projects. The District also provided surveying assistance to two rural residents to construct ring dikes around their yards for flood protection.

Water Quality

The Program to seal abandoned wells to protect groundwater quality continued. Five smaller-diameter drilled and 13 larger-diameter dug wells were sealed with funding assistance from the Manitoba Sustainable Development Innovations Fund and Agriculture Canada - Prairie Farm Rehabilitation Administration (PFRA). Over 125 wells have been sealed since 1994.

Regular surface water quality samples continue to be taken at regular intervals from six locations along the Cooks Creek waterway. Analysis costs are funded by Manitoba Conservation's Water Quality Management section with funding help from the PFRA National Soil and Water Program.

The District also undertook a minor Riparian Fencing Project to keep cattle away from the Cooks Creek waterway.

Fisheries

The District undertook a fisheries-riparian study in 1999. Fourteen different fish species were identified from fish netting at 14 different sites in the Cooks, Edie and Satans Creeks. The study also identified obstructions to fish passage such as ford crossings and beaver dams and also identified erosion sites. Thanks go to the Fisheries Enhancement Initiative, the Special Conservation Fund and the Critical Wildlife Habitat Program for funding assistance.

Crossings Replacement and Repairs

The District was pleased to receive special Provincial Infrastructure Funds to replace deteriorated bridges and structures. Additional funds were also received from the Rural Municipality of Springfield. This provided for the replacement of eight bridges and several other pipe crossings with new culverts.

The Program also included the installation or replacement of culverts and repairs to culverts and floodgates at numerous locations. The repair or replacement of crossings is a significant part of the maintenance of the waterway infrastructure.

Public Education

The District was pleased to sponsor the DUC Oak Hammock Marsh "On the Go" Program to visit elementary schools in Anola and Oakbank. The District also sponsored and participated in the Springfield 4-H Public Speaking Contest.

The Conservation Farm Family Award went to Bill and Leona Moroz of Hazelridge. Mike Davies of Oakbank was the Youth Speaker. The District held a banquet to celebrate its 20th anniversary. The District also contributed to the Manitoba Conservation District magazine and distributed it to residents. The Board and Sub-District Members and a local newspaper reporter attended the Manitoba Conservation Districts Association Conference in Brandon.

Program Management

Office staff consisted of a full time Manager and a part time Administrator. Program management also provides for office rent, administration costs, vehicle travel and remuneration for Board and Sub-District Committee Members.

Assets

The District purchased a computer and printer-fax machine and also joined onto the Internet.

Pembina Valley Conservation District

Introduction

The Pembina Valley Conservation District (PVCD), incorporated in October 1989, includes 4,270 square km of southern Manitoba. The District shares a boundary with North Dakota and its principal landscape features include the Pembina Valley, the Pembina Escarpment, the Tiger Hills, the Cypress River and part of the Red River Valley.

The PVCD is a partnership between the 11,500 residents of the five rural municipalities and three villages that make up the District. There are seven Sub-Districts representing mini-watersheds within the District. Continued partnerships with external agencies were critical to delivering the PVCD Program.

PEMBINA VALLEY CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#56 Boundary Area	Landon Booker	Snowflake
#60 Lizard Lake	Bill Sandercock	Morden
#55 Swan Lake	Larry Van Cauwenberghe	Swan Lake
#71 Tiger Hills	Gerry DeSmet	Cypress River
#17 Pembina Escarpment	Andre Comte	Notre Dame
Crystal-Cypress	Brian Charles	Cartwright
Badger Creek	Howard Ganske	Cartwright
Board Chairperson	Don Alexander	Miami

Summary

The PVCD Program continues to focus on conservation farming and water management. The water component has changed with the weather, however, while the focus was originally on water storage for drought relief, it has shifted to water quality. People are becoming more aware of the problems that arise from the contamination from abandoned wells. Our Program was over subscribed and we filled 60 wells.

The PVCD Board continues to work in harmony with four local soil, water and crop management associations with delivery of the soil conservation mandate being a shared effort.

Manitoba Agriculture, through its Covering New Ground Program, provided strong support for the Checkstrips Program, demonstrating crop rotations and other agronomic lessons on two concentrated, accessible sites in the District.

The Board continued to enjoy strong funding support from Manitoba Conservation Special Conservation Fund for a gully repair and a constructed wetland. Ducks Unlimited Canada (DUC) Habitat Conservation Program helped fund our Water Storage Projects, Flushing Bars, Riparian Habitat, Waterfowl Habitat Lease and Salinity Barrier Programs. Manitoba Hydro Forest Enhancement Program paid for thousands of trees to be planted all around the District in public places. Manitoba Habitat Heritage Corporation (MHHC) Agro Woodlot Program assisted with tree planting for bank stabilization works. A number of potential Fish Habitat Enhancement Projects are being investigated as a result of the study that was completed on improving the fisheries potential of the Pembina River. Last fall we hosted a "Read the Stream Workshop" in conjunction with Manitoba Conservation - Fisheries Branch (FEI), Manitoba Hydro, MHHC Agro-Woodlot Program and DUC. We had 75 participants from all over Manitoba attend this 3-day workshop. We plan to host the second part, "Streambank Restoration & Stabilization" in tha fall of 2000.

As in the past, Federal (Summer Career Placements) and Provincial (Manitoba Conservation - Hometown Green Team) sources subsidized the cost of hiring summer staff, providing them with valuable experience and completing many important jobs for the District.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$231,616
Soil Management		96,306
Public Education		49,348
Wildlife - Trees		34,634
Program Management		
Wages and Operations	$173,598	
Vehicles	17,053	190,651
Assets		6,298
	TOTAL	$608,853

For further details see Auditor's Report, Appendix F.

TOTAL FUNDING AVAILABLE FOR 1999-00

Municipal Contributions		$90,015
Manitoba Government Funding		251,188
External Funding Sources		244,784
Land Owner Share		16,319
	TOTAL	$602,306

Water Management

The focus remains on building small dams with work being done on nine storage dams and three Backflood Projects. In most cases, dams are designed to serve many purposes, such as groundwater recharge, providing water for agricultural, domestic and recreational use, creation and enhancement of wildlife habitat, flood peak attenuation, aesthetic value, precipitation distribution and the potential for attracting industry or reacting to changes in the dynamics of making a living off the land.

The Backflood Projects involve a structure that allows temporary water storage and later full drainage, to encourage water infiltration, increased productivity and dampens flood relief. While usually hay meadows are targets for Backflood Projects, this year one was constructed on cropland. The Board hopes this will demonstrate benefits for wildlife and arable land.

The District is responding to the need for Watershed planning on a basin scale as well as a mini-watershed level. The Pembina River Basin Advisory Board is an international group of stakeholders that are working towards developing a water management plan for the entire Pembina River basin. Several mini-watershed plans are being developed with affected landowners to more effectively manage drainage areas.

Water quality has become more of a concern with area residents. We are continuing to study water quality in the Roseisle Creek to develop some baseline data to determine if there is a problem.

Soil Management

The Board's Forage Seed Assistance Program was offered in four of the seven Sub-Districts. The Board invites landowners to buy their own seed and apply for a cost share from the District. It is felt that the need for this Program is lessening as the Program has been offered for several years and is making a difference on the landscape, safeguarding marginal areas with permanent cover.

Grassed waterways were planned or completed in two locations. Besides preventing erosion and subsequent water contamination, these Projects provide wildlife habitat and hay for harvest. Erosion control was also accomplished through cleaning trees from drainage ditches, preventing breakouts and gully washing in adjacent fields. Trees and shrubs are great for bank stabilization, but if located in the centre of the watercourse, they can cause problems.

Streambank stabilization work was done along the Pembina River, with funding coming from Manitoba Conservation - FEI. The streambank was sloped and rocked, barbs were placed on both the upstream and downstream sections, five willow trenches were installed and the site was grassed.

Public Education and Extension

The PVCD information is passed on to the community through the local newspapers and a quarterly newsletter that highlights the District's activities.

We held our 10th Anniversary bus tour, which included stopping at several dam sites and concluded with a supper at Binney Corner Nature Preserve. Binney Corner was enhanced with new trail signs, a shaled parking lot and moveable floating docks this year. We partnered with Enbridge Pipeline Inc. and Manitoba Conservation - Environmental Youth Corps to pay for these enhancements. In May, the PVCD's Nellie McClung Envirothon Team competed in the Provincial Competition at Shilo, Manitoba. The team has been very active and uses Binney Corner as an outdoor classroom. The team has been working with the District staff to plant wildflowers, plan trails, do plant identification, do controlled burns and help with the construction of the floating docks. Each year the local schools are expanding the use of Binney Corner for outdoor educational activities. This year we purchased "Critter Kits". The kit includes dip nets, marsh posters, bird, pond and marsh books, magnifying glasses, etc., that allow students to examine pond life.

The District helps with judging the local High School Science Fair and we talked with school classes both in the classroom and in the field.

Maurice and Jane Geddes of Pilot Mound were chosen as the Conservation Farm Family and the District's Youth Speaker was Lisa Van Den Bussche from Swan Lake's Westmount High School.

Wildlife

Manitoba Hydro sponsored the purchase of shade, shelter and native fruit trees for planting in local community parks and public areas.

The District has entered into a two year agreement with MHHC to cooperatively deliver the "Green Banks" Program, which promotes healthier riparian zones on our rivers and streams.

Ducks Unlimited Canada and the District have signed a three year agreement where the District will have access to $75,000 to deliver a Habitat Conservation Program aimed at increasing the duck population.

Program Management

The staff attended an Erosion Control Conference in Minneapolis that highlighted techniques and technologies ranging from Bank Stabilization Projects to the use of Used Tire Erosion Control Projects. With the runoff problems the area has experienced, the lessons learned at these conferences will prove valuable to the District and its landowners.

Conclusion

The year of 1999-00 was a very successful year in terms of fund raising, Program delivery and developing strong partnerships that are centered on a common interest in the environment and sustainable development principles.

The past 10 years have been a learning and growing experience for both the staff and Board Members.

We thank everyone for his or her cooperation in the past and look forward to a productive year in 2000.

West Souris River Conservation District

Introduction

The West Souris River Conservation District (WSRCD) was officially incorporated as Manitoba's seventh Conservation District on January 1, 1995. Expansion of the District on April 1, 1999 added the Rural Municipality of Cameron to the original membership of Albert, Edward, Pipestone and Sifton Municipalities. A total of seven Sub-Districts were formed on the basis of the watersheds of several creeks within the District.

The WSRCD covers approximately 4,195 square km of southwestern Manitoba. Soils in the District are generally light and prone to erosion. Communities in WSRCD face numerous challenges in sustaining long-term, productive use of their natural resource base. District Programs have been designed to locally manage soil and water resources in the area.

WEST SOURIS RIVER CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#98 - North Pipestone/Sifton	Richard Thiry	Oak Lake
#62 - Plum Creek	Doug Wilson	Reston
#63 - Stony Creek	Lloyd Atchison	Pipestone
#64 - Jackson/Graham Creek	Manson Moir	Tilston
#65 - Gainsborough/South Antler	Tim McMechan	Lyleton
#67 - Central Souris River	Gordon White	Hartney
#68 - Elgin Creek	Greg More	Elgin
Provincial Appointee	Bill Henderson	Oak Lake
Board Chairperson	Gregg Fotheringham	Reston

Summary

Excessive rainfall severely impacted Program delivery in WSRCD, particularly with regard to water quality and quantity. Soil management was compromised as well, with 89,000 ha being unseeded due to wet conditions.

Expansion of the District included the Rural Municipality of Cameron on April 1, 1999.

The District's Education and Awareness Programs remain a high priority. Expansion of the Clean Stream Team gave students in the three schools the opportunity to learn about riparian management.

The District took active roles in aquifer planning, watershed management and well water testing.

Partnerships for Program delivery were formed with numerous agencies, including Ducks Unlimited Canada (DUC), Manitoba Habitat Heritage Corporation (MHHC), Fisheries Enhancement Initiative (FEI), Provincial and Federal Departments and the Critical Wildlife Habitat Program (CWHP).

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$51,166
Soil Management		131,929
Wildlife Management		21,884
Public Education/Resource Planning		29,787
Program Management (Amortization included)		174,250
Assets		146,122
	TOTAL	$555,138

For further details see Auditor's Report, Appendix G.

Water Management

Excessive rainfall in 1998 and the spring of 1999 challenged the bounds of water management in WSRCD. Watershed planning progressed favourably with WSRCD taking a lead role in the Stony Creek plan and an active part in the Three-Creeks Watershed Management Association, which is an interprovincial initiative to address water issues affecting municipalities and residents of southwest Manitoba and southeast Saskatchewan.

The excessive rainfall sparked concerns about the quality of water in private and public wells. Testing of 136 wells was cost shared by residents, WSRCD and Prairie Farm Rehabilitation Administration (PFRA). About half of the samples exceeded limits for coliforms and/or nitrates.

Monitoring of surface water quality continued with the collection of samples from all creeks within the District. Manitoba Conservation again participated in this Program. Two Projects, one funded in part by National Soil and Water Conservation Program (NSWCP), diverted surface water around feedlots. Off-site watering and a geo-grid demonstration in pasture dugouts provided improved watering conditions for livestock.

Nine new water wells were developed for household and livestock water with the District's assistance, while 12 old wells were sealed to protect ground water and reduce hazards. One small dam was constructed with assistance from DUC and will provide waterfowl habitat as well as livestock water.

A Bank Stabilization Project, using bioengineering techniques, was demonstrated on the Pipestone Creek in cooperation with FEI and the Rural Municipality of Pipestone.

Soil Management

Residue management and No-Till Programs were compromised in 1999 by excessive moisture and the need to cultivate to control weeds on approximately 89,000 ha in WSRCD. These soils were once again exposed to the elements and were considered to be in a crisis situation by the Board and producers. Wind erosion affected some areas in the fall of 1999 and early spring of 2000.

Forage in Rotation, funded in part by NSWCP, converted 97.13 ha of forage back to annual cropland with the use of chemical and no-till operation. An additional 417.25 ha of fragile soil are planted to forage through the District's Forage for Problem Soils Program. Sixty-five producers ordered forage seed through a bulk order. Salinity tolerant forage was provided by DUC for 44.5 ha throughout the WSRCD.

The District's No-Till drill was used on 647.5 ha. Close to 27.4 km of new field and yard shelterbelts were established.

Public Education and Awareness

The District continued its efforts to educate residents about resource issues and management options.

School and 4-H Programs again included aquatic studies, field trips, classroom conservation and the Wetland Ecovan. The Clean Stream Team (CST) was expanded to include classes in Pierson, Oak Lake and Reston schools. An additional 1.61 km of the Gainsborough Creek was fenced at the recommendation of the CST and with assistance from NSWCP.

The WSRCD hosted the annual Manitoba Conservation Districts Association tour in July, 1999.

Tony and Debbie McMechan and family were selected as the Conservation Farm Family. Danielle McMechan was the District's Youth Speaker.

A section of native Crown pasture was selected as a grazing demonstration in partnership with Covering New Ground.

The Canupawakpa Nature Trail was completed and now provides residents and tourists with enjoyable and educational experiences.

Wildlife

Twice over grazing on native mixed-grass prairie continued to be monitored for benefits to wildlife and grasslands. Action 21 funding covered the costs of the Monitoring Program carried out by a partnership of various wildlife and agricultural agencies.

Programs delivered through the DUC Habitat Conservation Agreement included flushing bars, drill rental assistance, small dam Program, No-Till Program and waterfowl habitat lease.

Flows in the Pipestone Creek remained good all summer and as a result oxygen levels in Oak Lake were sufficient for fish survival over the winter.

Program Management

Administrative costs include staff salaries and expenses, remuneration to Board and Sub-District Members, office rent and operation costs. Manitoba Habitat Heritage Corporation continued to cost share office rent and salary for the Secretary-Treasurer. Two temporary positions were supported by On-Site and Summer Career Placement.

New Advancements

Construction of a new office for the District started in July. Staff moved into the new office in January 2000. Increased staffing due to the expansion of WSRCD to include the Rural Municipality of Cameron, as well as air quality problems in the old office, necessitated the new structure.

Upper Assiniboine River Conservation District

Introduction

Located southwest of Riding Mountain National Park is the Upper Assiniboine River Conservation District (UARCD), the third largest Conservation District (CD) in Manitoba. The UARCD was established as the eighth Conservation District in Manitoba in May, 1996, one year after flooding was widespread in southwestern Manitoba. Currently, the District is comprised of the member Municipalities of Rossburn, Ellice, Birtle, Shoal Lake, Miniota and Hamiota and includes the Towns of Rossburn, Birtle, Shoal Lake and Hamiota. There are eight Sub-Districts formed on the basis of Watershed Divisions. The Sub-Districts are Qu'Appelle River, Wythes Niso Creek, Snake Creek, Birdtail River, Minnewasta Creek, Arrow River, Upper Oak River and Lower Oak River.

The UARCD covers an area of approximately 4,102.6 square km. Soils and topography change dramatically from one corner of the District to the next. Generally, in the north and west areas of the District there is steeper topography and lighter soils. Consequently, this area is more prone to erosion. To the southeast heavier soils and flatter land is more common and there is more concern with flooding than erosion.

The challenge for the Board and staff is to deliver effective Programming to all landowners in the District across a wide range of soil and topography types.

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#72 - Upper Oak River	Wilf Chegwin	Shoal Lake
#73 - Lower Oak River	Bruce Cochran	Hamiota
#74 - Minnewasta Creek	Rusty Still	Isabella
#74A - Arrow River	Theresa Michalchuk	Shoal Lake
#77 - Birdtail Creek	Ron Kostesky	Rossburn
#78 - Snake Creek	Oliver Low	Foxwarren
#78A - Wythes/Niso Creek	Ron Bryant	Miniota
#78B - Qu'Appelle River	Dennis Fouillard[1]/Guy Huberdeau[2]	St. Lazare
Provincial Appointee	Gerald Shier	Crandall
Board Chairperson	Leonard Sitko	Oakburn

[1] First and second quarter. [2] Third and fourth quarter.

Summary

A fast spring melt and continued spring rain delayed many Projects planned by the District for the 1999 season. However, extended good weather into the fall allowed the District to finish the construction season on budget for the year, completing all planned Projects with the exception of work in grassed runways which remained too wet for equipment throughout the year.

Soil and water management remains the focus of UARCD. The delivery of Programming in this area was increased with the support of external partners. Partnerships between UARCD and the Manitoba Habitat Heritage Corporation's (MHHC) Green Banks Program, as well as Ducks Unlimited Canada's (DUC) Habitat Conservation Program, provided the District with a broader resource platform to deliver to all producers in the area. These partnerships also increase the financial resources of the District for Program delivery.

Other resource agencies partnering with the District on Projects during the Program year include Prairie Farm Rehabilitation Administration (PFRA), Manitoba Agriculture, Manitoba Cattle Producers Association, Delta Waterfowl and Manitoba Conservation. Our most important partners continue to be the local landowners. The cooperation and stewardship exhibited by these individuals ensures a healthy future for the Conservation District Program in Manitoba and a healthy landscape for future generations. However, without the generous support of our member municipalities and the Provincial government, none of this would be possible.

Soil and Water Programs continue to focus on erosion control, flood prevention and improvement in water quality.

During 1999 the District received a request from the Rural Municipality of Woodworth for expansion into that Municipality. The Board, staff and member Municipalities of UARCD look forward to welcoming Woodworth to the UARCD in the 2000-01 year. Also, late in 1999 UARCD received a request from the Rural Municipality of Archie for expansion into that municipality. We are currently investigating the feasibility of this request for expansion.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Office Operation		$23,777
Program Management		101,131
Water Programs		88,236
Soils Programs		77,757
Public Education		15,948
Wildlife		4,500
Assets Purchased		14,534
	TOTAL	$325,883

For further details see Auditor's Report, Appendix H.

Water Management

For the second consecutive year landowners in the UARCD were faced with wet conditions which made seeding very difficult and in some areas impossible. The wet conditions and heavy water flow in the area strained Projects, which had been previously constructed by the District and individual landowners. Two District Projects were damaged and required repair. The District also assisted with repairs to a small dam constructed prior to District establishment.

The UARCD constructed four small Water Storage Projects during 1999. Of these Projects, three were constructed with control devices to allow a fall draw down and spring recharge to maximize headwater storage annually. The fourth Project has no outlet control. The ability of this Project to hold spring meltwater is based upon net water loss from the previous year. In addition, four check dams were constructed to hold water on a temporary basis, slow water flow in gullies and stabilize erosion in these areas.

Continued rains throughout the spring and summer prevented large equipment from working in grassed runways. Consequently, grassed runways could only have minimal alterations done by hand and no new runways could be established during the work season.

Protection of groundwater was also a priority for the District in 1999-00 as 16 abandoned wells were capped in the area. Properly capping an abandoned well seals a direct conduit from the surface to the ground water, preventing possible future contamination of the aquifer. A sinking well also poses a hazard to men and equipment and capping these wells can eliminate this potential hazard.

Finally, the District has worked toward improving surface water quality in a variety of ways. During 1999 the District was an active partner in the MHHC's Green Banks Program. The Green Banks partnership focused on reducing the impact of livestock on riparian areas. In addition to this Program, the District also provided assistance to landowners who wished to establish remote watering stations to improve water quality, supply and dugout longevity. The Manager also continued to provide technical assistance to the Shoal Lake Water Enhancement Corporation and the Rossman Lake Resort Board regarding plans to improve water quality in those respective lakes.

Soil Management

The 1999-00 Program year was one of the most successful soil management years in the history of the District. The Forage Seed Program continues to expand, assisting 49 landowners to place an estimated 814 ha under permanent cover. This number of landowners and sown ha represents our largest Forage Seed Program to date.

During the 1999-00 Program year and for the first year ever, the District operated 2 forage seed drills in the District. Even with the very wet spring and difficulties associated with seeding, these 2 drills were still able to seed over 405 ha of land throughout the District. A forage variety plot was established along Highway 42.

The Shelterbelt Program continued as in past years with UARCD staff providing technical assistance and free labour to landowners planting shelterbelts. In addition to this service the District also began a plastic mulch application service for residents. Plastic mulch reduces weed maintenance and also provides greater heat transfer to the soil improving growing conditions.

The District also provided technical and financial assistance to landowners willing to install rotational grazing systems. Two Rotational Grazing Project demonstration sites in UARCD have shown that rest rotation of grasslands improves grassland health, allows greater cattle stocking rates and improves habitat for wildlife.

Wildlife

The District continues to actively partner with a variety of agencies on Wildlife Projects throughout our area. During 1999-00, partnerships continued with DUC, MHHC, Manitoba Conservation and Critical Wildlife Habitat.

The Conservation District continued to offer the DUC Habitat Conservation Agreement throughout the District. This Program provides funding for saline seed assistance, backflood irrigation, small dam construction, drill rental assistance, a No-Till Program, flushing bars and a variety of Habitat Lease Programs.

The UARCD continued to partner with MHHC on the delivery of the Green Banks Program, which provides benefits to wildlife and livestock in riparian areas.

During 1999 a partnership was struck with Manitoba Conservation to implement a twice over grazing system on a Wildlife Management Area to increase grassland biodiversity and improve wildlife habitat.

Through funding provided by the Critical Wildlife Habitat Program, UARCD was able to assist with the construction of a snake hibernaculum south west of Hamiota. This hibernaculum will support the most eastern known den site of western plains garter snakes, a subspecies of garter snake distinct from the red sided garter snake which is typically found in other areas of the Province, most notably the Interlake area.

Public Education

Public education continued to be an ongoing priority of the District. Upper Assiniboine River Conservation District is still a young District and promotion of the Districts Programs and Projects is still needed.

Literature was mailed out to District residents, including two newsletters, the Manitoba Conservation Districts Association (MCDA) magazine and the District has just undertaken a survey that will be used to provide direction for the management plan, which has just been undertaken by the District.

To date, work on the management plan has involved a technical Backgrounder paper, allowing representatives of government and non-governmental organizations to comment on the challenges they feel will be facing the District in the coming years. The survey provided an opportunity for all District residents to comment on the past priorities of the District and voice their opinion as to what the future priorities of the District should be. Public meetings allowed UARCD and MCDA representatives to provide a history of the District and the reasons for doing a management plan, as well as get feedback from area residents.

Throughout the District four community tree planting events were conducted, continuing the community green scheme throughout the area. Other community events, which the District participated in, included parades in Rossburn, Shoal Lake and Hamiota with a float, designed to promote conservation.

Les and Marlene Bryant of Miniota were selected as the Conservation Farm Family for 1999 and our Youth Speaker was Katherine Poppel.

The UARCD also continued to take an active role in the Upper Assiniboine River Basin Study, a Project which studied the effect of landscape change on hydrology and attempted to create a computer model to predict downstream flows given current input data. However, by far the most important aspect of this study was that it brought together landowners from Saskatchewan and Manitoba, opening communication between upstream and downstream landowners.

Program Management

Program management continues to expand as the District expands in budget and territory. A temporary Administrator was hired to replace Mrs. Janet Sandstrom while she was away on maternity leave. Congratulations to proud parents, Janet and Randy Sandstrom on the arrival of Wyatt, a bouncing baby boy born June 9, 1999.

A new Manager, Derek Clarke and a new surveyor Greg Little, as well as summer students were hired. This led to some initial confusion as the District experienced 100% staff turnover during the work season and new staff had no first hand knowledge of previous Projects. However, work was completed in a timely manner and all planned Projects were eventually finalized by the end of the year.

The Administrative Program provides staff salaries, expenses, remuneration of the Board and Sub-District Members, office rent and salary for the Administrator. Program support includes technical support staff, Program coordination, engineering and planning.

Intermountain Conservation District

Introduction

On July 15, 1997, the Intermountain Conservation District (IMCD) was officially established as Manitoba's ninth Conservation District. Nestled between the Riding Mountain National Park and the Duck Mountain Provincial Forest, the landscape of the District varies from steep forested escarpment areas to lakeshore agricultural land. Encompassing an area of nearly 7,200 square km, the IMCD is the Province's largest Conservation District.

Municipalities currently participating in the Conservation District include the Rural Municipalities of Dauphin, Ethelbert, Gilbert Plains, Grandview, Mossey River and Mountain South, the Villages of Winnipegosis and Ethelbert, the Towns of Gilbert Plains and Grandview and now the City of Dauphin. In this respect, the IMCD is unique in being the only Conservation District in the Province to have an urban centre the size of the City of Dauphin within its boundaries and as such is faced with a variety of challenges and opportunities that arise from this feature.

Water management concerns have always dominated much of the area and are, in fact, the issue which brought the municipalities in the area to investigate the opportunities available to them through the Conservation District Program. As such, many of the Resource Management Programs being implemented throughout the District address the local water-related issues. The diversity of the landscape, wildlife resources and scenic features within the District also create a variety of opportunities (recreational, educational and others) that the Conservation District continues to incorporate into its Programs.

INTERMOUNTAIN CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#47 - Vermillion River	Boris Michaleski	Ashville
#48 - Wilson River	Mervin Mitchell	Grandview
#93 - Upper Valley River	Colin White	Grandview
#95 - Lower Valley	Syd Puchailo	Grandview
#102 - Fishing/Fork/Mossey	Jim Lytwyn	Winnipegosis
#103 - Garland/Point	Ron Kostyshyn	Ethelbert
#105 - Pine/Sclater/Duck	Albert Strilkiwski	Ethelbert
Board Chairperson	Ernie Bayduza	Dauphin

Summary

Promotion and demonstration once again characterized the IMCD in 1999-00. A variety of new ideas and technology were incorporated into various Programs, including the use of geotextiles in the construction of a cattle watering ramp and the incorporation of fish habitat enhancement techniques into a traditional Streambank Armoring Project. New Programs continued to evolve with the introduction of an Abandoned Well Sealing Program, highlighted by an Abandoned Well Demonstration Day.

Addressing issues of water management and soil conservation continues to be priority for the IMCD, although new tourism and wildlife habitat ventures have provided opportunities for the Conservation District to expand its Program portfolio.

Striving to increase public awareness of the variety of Programs and other opportunities available through the IMCD, public education and promotion can be considered some of the most valuable activities undertaken throughout the past year. The success enjoyed by this District since its inception in 1997 is largely due to the many Program partnerships established with a variety of agencies and other organizations and these partnerships will continue to be instrumental to the future of the IMCD.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Water Management		$50,522
Soil Conservation		74,022
Public Education		26,122
Wildlife and Habitat Enhancement		6,044
Recreation and Tourism		320
Assets - Property and Equipment		17,264
Program Management		83,211
	TOTAL	$257,505

For further details see Auditor's Report, Appendix I.

Water Management

Streambank stabilization continued to top the list of priority activities undertaken in 1999-00. Escarpment flows, coupled with large amounts of precipitation and continued land drainage, seriously deteriorate fragile streambanks along all watersheds within the IMCD. This erosion threatens valuable agricultural land, private and public infrastructure and the quality of our rivers and streams. In response to community and landowner concerns, the IMCD, in partnership with the Fisheries Enhancement Initiative, the National Soil and Water Conservation Program and the Dauphin Lake Advisory Board undertook Streambank Stabilization Projects in five of its seven Sub-Districts. Areas protected through these stabilization efforts varied from agricultural land, to municipal and provincial roads and bridges, to the City of Dauphin's sewage effluent discharge site.

As described in the section titled Fish and Wildlife, creek rehabilitation efforts also focused largely on enhancing fish passage to important spawning areas. Other minor creek rehabilitation was implemented to address issues of localized flooding due to obstructions and restrictions with the creek channels.

The year of 1999-00 revealed little interest in the IMCD's Riparian Works Program aimed at addressing the issue of cattle management along waterways with only 2 small scale Projects being initiated. Continuing with the IMCD's growing reputation for innovation, experimentation and demonstration, one of the Riparian Projects undertaken involved the construction of a cattle watering ramp into the creek using a combination of geotextiles. Although initially more costly than traditional rock-only ramps, reaction to this Project has been very positive, to the point where the same cattle producer has inquired as to the possibility of constructing a similar ramp into one of his dugouts.

Although the original intent was to implement a small-scale trial Program to address the concern of groundwater quality, the IMCD actually expanded its Program to accommodate the flush of interest. By the end of the construction season, a total of 16 abandoned wells had been filled and sealed, thus protecting the groundwater from potential contamination in the future and the landowner from further liability associated with these otherwise open abandoned wells.

Soil Management

For the second year in a row, the IMCD has expanded its Forage Seed Assistance Program to accommodate the growing number of landowners participating in the Program. Since the Program's inception in 1998, the number of landowners participating in the Program has increased from 45 to 82 and the total seeded acreage has doubled, realizing the establishment of forage cover on more than 1,456.92 ha. Fueling this interest is the realization that much of the land throughout the District is of marginal quality and as such may better benefit from the establishment of permanent grass cover.

Complementing the soil conservation efforts provided through the Forage Seed Assistance Program, the transformation of eroding in-field gullies to sloped, maintainable, grassed waterways is proving to be a popular Program. The past year saw the initiation of four grassed waterways, which when completed will not only increase usable agricultural acreage, but will also alleviate concerns of further erosion and downstream siltation of these natural runs.

Tree planting was largely limited to Community Projects, with many community groups taking advantage of the community tree planting component of the IMCD's Bushel of Berries Program, sponsored in part by Manitoba Hydro's Forest Enhancement Program.

Fish and Wildlife

The protection of riparian areas, the establishment of forages and improvements to surface water quality, as provided through other IMCD Programs, are known to contribute to the enhancement of fish and wildlife habitat, and as such, the IMCD is making additional efforts to integrate aspects of wildlife habitat enhancement into many of its existing Programs. For example, in an experimental effort to merge fish habitat enhancement techniques into current streambank stabilization efforts, one Project saw the incorporation of available on-site rootwads into the streambank armor. The idea behind this Project was that extending the slightly upstream-oriented rootwads into the channel from the armored streambank would create scour holes behind the rootwads, provide additional shelter for fish and diversify the available fish habitat. It is anticipated that the placement of the rootwads will dissipate the force of the current and deflect the flow of water away from the streambank.

Increasing the available fish habitat was also the goal of an intensive Creek Rehabilitation Project along the Point Creek. In partnership with the Fisheries Enhancement Initiative, Manitoba Conservation and the Rural Municipality of Mountain, the IMCD implemented a Program to remove all obstructions with the creek channel providing fish access to historic spawning grounds that were previously inaccessible.

Recreation and Tourism

The diversity of landscape, wildlife and scenic features throughout the District provide for a variety of tourism and recreation opportunities. Admittedly, the IMCD has not been very active on this pursuit but does realize the potential that the area has to offer and does currently support local recreational and tourism related ventures through the provision of technical assistance, labour and equipment.

Public Education

Environmental awareness and the promotion of IMCD Programs were key activities undertaken by the IMCD throughout 1999-00. The largest undertaking was the delivery of the highly successful educational Bushel of Berries Program, sponsored by Manitoba Hydro's Forest Enhancement Program, to all 10 elementary schools within the District. Children of various grades in each of these schools were provided with an informative presentation on berry trees, their fruits and fruit uses, a variety pack of berry tree seedlings to take home to establish their own mini orchards and an informative berry tree companion guide that was also developed and printed by the IMCD for this Program. Complementing the school Program, plans have also been made to develop 2 Bushel of Berries Demonstration Sites, which will showcase as many as 13 different varieties of berry trees.

Other Youth Awareness Programs included: sponsored Ducks Unlimited Canada Ecovan during National Wildlife Week; assisted Prairie Farm Rehabilitation Administration in distributing trees to area schools; organized a Cadet Tree Planting Day as part of the nationally organized "Cadets Caring for Canada Day"; and participated in "I Love to Read Month" at Ethelbert school.

The Board selected Chris and Nadine Dzisiak as Conservation Farm Family of the year. The Youth Speaker representing IMCD was Allison Dowd.

Public promotional and educational activities included: IMCD participation in local parades and tradeshows; involvement in Manitoba Soil Science Tour of the Parkland Area; hosted an Abandoned Well Demonstration Day and a tour of IMCD Project sites for representatives from the various municipalities and communities considering the establishment of the Lake of the Prairies Conservation District.

In an effort to further promote the IMCD, its Programs and accomplishments, a number of articles were printed in local newspapers and promotional newsletters were included with the municipal tax notices and distributed to ratepayers throughout the District.

Assets - Equipment and Property Purchases

With the goal of becoming more self-sufficient and reducing rental expenditures, the IMCD has purchased additional field equipment necessary for the delivery of the Abandoned Well Program and the maintenance of the IMCD tree plantation.
As IMCD Programs continue to evolve and the number of staff members increases so does the need for additional office and storage space. As such, the IMCD has also proceeded with the purchase and financing of a 2.02 ha parcel of property, complete with office and storage facility, so as to continue to house the IMCD in Ethelbert, Manitoba.

Program Management

Program management expenditures include all administrative and support costs, such as staff salaries and expenses, remuneration for Board and Sub-District Members, office rental and expenses, dues and memberships, legal and accounting fees and the costs associated with vehicle operation.

Kelsey Conservation District

Introduction

On January 1, 1999, the Kelsey Conservation District (KCD) was established as Manitoba's 10th Conservation District. The District lies completely within the boundary of the Rural Municipality of Kelsey, including the Pasquia and Carrot River settlements, Rall's Island, Wanless and the Local Urban District (LUD) of Cranberry Portage. There are no established Sub-Districts and the total area of the District is approximately 900 square km.

The District office is located in the Town of The Pas and is staffed by one Manager who oversees day-to-day operations, including Program delivery and administration. The Board of Directors represents approximately 2,750 residents from all regions within the Municipality and meets monthly to discuss the business of the District.

Priorities for the Kelsey Conservation District's Board include developing Programs that educate the public about prudent resource management, soil and water conservation practices and local decision making as a means to maintain a healthy rural landscape. The involvement of youth and the formation of sound partnerships are also important aspects of the District's presence in the community.

KELSEY CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

DISTRICT	CHAIRPERSON	ADDRESS
Wanless	Dan Davie	Wanless
Cranberry Portage	Dave Cupples	Cranberry Portage
Pasquia/Carrot River	Larry King	Pasquia
Provincial Appointee	Darwin Marshall	The Pas
Chairperson	Katherine Joyal	Rall's Island

Summary

Kelsey Conservation District's first full year of operation was characterized by the development of Program policies relating to the priorities established by the Board, the participation with the Manitoba Conservation Districts Association (MCDA) in meetings and at the annual convention and productive discussions at monthly Board meetings. As a new Conservation organization in this region of the Province and the only District to extend into the 53rd and 54th parallels, the challenge was to make local residents aware of the diversity and flexibility of District activities. This was accomplished through numerous contacts with government and non-government organizations.

The District purchased a Geographic Information System (GIS) Computer Program that will assist in delivering on-farm planning to landowners and establish contact with all schools in the District with the goal of becoming an additional resource for students.

A Forage Seed Assistance Program was approved and promoted for implementation in the spring and summer of 2000. In addition to providing assistance to producers, this type of Program is intended to serve as a strong education and extension resource for the District.

Discussions regarding water quality information and past studies on Grace Lake were initiated with Manitoba Conservation in The Pas. The District also began planning a study of walleye production in Rocky Lake in conjunction with a local fish management committee, Manitoba Conservation and Keewatin Community College. The Fisheries Enhancement Fund has been identified as the major potential funding source for the study.

The District's Board of Directors has realized numerous successes throughout its first full year of operation. Productive communication among Board Members and partner agencies will foster an acceptance of sustainable resource planning by the residents in this region of Manitoba.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Administration		$52,943
Assets		23,213
Public Education		321
	TOTAL	$76,477

For further details see Auditor's Report, Appendix J.

Administration

Expenditures for administration consisted of office rent, utilities, salaries, expenses and Board remuneration. The District incurs higher travel costs than other Districts due to time and distance requirements and is consistently evaluating its attendance at various meetings, seminars, etc. A larger office space will be pursued next year as the present space is too small. This relocation will increase monthly rent expenses as well as utilities.

Assets

The District purchased necessary office equipment including copier, computer, printer fax machine and phone. Office software was also purchased for the purposes of daily accounting and word processing. The GIS software program "Watershed the System" was purchased with funding support from the Province of Manitoba. This system and the accompanying data sets will assist the District in providing on-farm planning solutions as well as Project data management.

Public Education

Informing the public on watershed planning issues was an important priority for the District in its first year. Presentations were made to local schools, Keewatin Community College and Municipal Councils for the purpose of explaining the role of the Conservation District in the community. The District also hosted an Open House and Official Opening, which was attended by various groups, members of Councils and the Members of the Legislative Assembly for The Pas. Attendance by the Board at the MCDA Annual Convention afforded Members the valuable opportunity to see first hand the scope, potential and positive impact being made in communities throughout rural Manitoba.

Little Saskatchewan River Conservation District

Introduction

On January 1, 1999 the Little Saskatchewan River Conservation District (LSRCD) was formed as Manitoba's 11th Conservation District. The District serves as the link that bridges Conservation Districts in western Manitoba from the Saskatchewan border to the southern tip of Lake Manitoba.

Situated along Riding Mountain National Park, the LSRCD was formed in the early glacial period and is depicted by the distinctive pothole marshes, undulating lands and the melt water channels like the Little Saskatchewan River.

The LSRCD is comprised of all or part of six municipalities located in the LSR watershed; Blanshard, Daly, Saskatchewan and parts of Odanah, Minto and Clanwilliam. It also includes the Towns of Rivers and Minnedosa as part of an urban audience, making the population of approximately 7,700.

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT
BOARD MEMBERS 1999-00

SUB-DISTRICT	CHAIRPERSON	ADDRESS
#72 Upper Oak River	Rodger Mawer	Alexander
#72 Upper Oak River	Robert Wrightson	Oak River
#81 Central Little Saskatchewan River	Chris Brown	Minnedosa
#81 Central Little Saskatchewan River	John Whitaker	Erickson
#82 Lower Little Saskatchewan River	Ed MacKay	Rivers
#82 Lower Little Saskatchewan River	Evan Smith	Rapid City
Board Chairperson	Roy Greer	Oak River

Summary

A year that began to show evidence of a dry spring with limited runoff transpired into one with wet and cooler temperatures. Municipalities in and around the District all declared a state of emergency for excessive moisture and flooding. It also gave rise to an increased amount of indiscrimate drainage throughout the area. Much of the cropland was seeded to only 70-80% of their normal cropping ha. As the fall was significantly better and drier, it allowed farmers to complete their harvest.

Following the initial development taken by the Board, the Conservation District moved forward to introduce the District to the area and its landscape. Awareness strategies were introduced and delivered. Priorities were directed in the area of education and new educational Programs were developed. Steps were taken to examine the issues related to the area and begin to develop Projects to meet those issues. Steps were taken to learn all elements and concerns with the development of a well-rounded Program. Key demo Projects were developed of water and soil conservation strategies.

The Province of Manitoba, under Department of Intergovernmental Affairs (then Department of Rural Development), is the biggest contributor to the LSRCD Program within the first year. The District also developed inroads to long-term partnerships with other agencies, which it hopes to maintain and expand in years ahead.

TOTAL EXPENDITURES 1999-00

Activity		Expenditure
Program Management		$82,225
Water Programs		11,670
Soils		13,080
Public Education		5,340
Assets		49,032
	TOTAL	$161,347

For further details see Auditor's Report, Appendix K

Program Management

Administration includes staff salaries and expenses, remuneration to the Board and Sub-District Members and operation costs.

The Manager was part of a Bioengineering Workshop in Manitou that illustrated various techniques for streambank stabilization and controlling erosion. LSRCD staff with representatives from Erickson Collegiate visited Swan River Regional School to learn how to develop long term educational opportunities between the school and the Conservation District.

In a partnership with the Department of Intergovernmental Affairs, the LSRCD purchased a Geographic Information System (GIS) Computer Program to assist with resource development plans, watershed planning and Program management.

Equipment purchases consisted primarily of a work truck to assist with day-to-day operations of the District.

Public Education

Upon initiating an office and staff complement, the Board focused its attention and launched the LSRCD on its inaugural year of development. The District's primary objective was to establish a direction for the District and understand the needs of the local area. Discussions were carried out with the producers in the area, local Sub-Districts and Councils. As issues were collected and prioritized, the Board developed a mandate statement to define its vision for the years ahead.

The success of any organization or business is critical to the proper promotion and the establishment of direction or path. Other steps included the development of a local newsletter called the "Resource Reporter", which it delivered to all ratepayers in the District, showing the direction and facts of the LSRCD Program. District border signs were installed along the District's Boundaries early in the year. Other initiatives included radio interviews, a bi-weekly news article and poster campaign.

Steps were also taken to encourage conservation awareness in the classroom. The Board of the LSRCD developed "Classrooms and Creeks", an educational directive that will allow students to work on conservation and watershed strategies while meeting their curriculum requirements. As the District hopes to develop a long-term partnership with all the schools in the District, it established a partnership with the Erickson Collegiate as a pilot as the first step. The class will be involved in collecting valuable water quality data on the Rolling River Watershed for LSRCD.

As part of an initiative to define the CD and create awareness, the LSRCD initiated "The Lost Logo Contest" to both adult and young in LSRCD. The contest was to find a logo that portrays the essence of the LSRCD.

Two individuals were awarded for their efforts in the Conservation District. Chris Woychyshyn was LSRCD Youth Speaking Champion and Bob McNabb and family were the LSRCD's first Conservation Farm Family recipient.

To gain a further understanding of the landscape and needs of the community, LSRCD has initiated a mail out survey to ratepayers in the District. The survey will provide input to Programs for LSRCD to deliver and what the issues are to the farm area.

Water Management

While the District began to understand the landscape and develop Programs, the issue of indiscriminate drainage continued to be ever so present and create challenges to proper watershed planning. Local Councils to assist in disputes between neighboring landowners have already approached the District. Currently, the District is evaluating its role in drainage and to what level.

As the District was operational in the midst of summer, the Board committed its resources to develop some type of Program to the landscape. Various ideas were proposed which would (1) assist in addressing the issues identified in the LSRCD, (2) provide alternative options to land management to provide a sustainable landscape, (3) serve as a demonstration to producers.

The Board for the benefits of run off control introduced a Headwater Dam Program. Three structures were constructed within each of the Sub-Districts. Each of these structures was partnered with Ducks Unlimited Canada (DUC) and the Delta Waterfowl.

The Board also developed an Abandoned Well Capping Program, done for the benefit of maintaining ground water quality. As the Program began to see a fair amount of interest, the District was able to provide four demonstrations throughout the District.

Wildlife

As the District was formed in part from the exclusive work initiated by the Little Saskatchewan River Stakeholder's Group and Manitoba Conservation (Fisheries), the Board is committed to working closely with those groups in assuring to assist in the development of projects for water quality.

The District also entered into a two year agreement with DUC to assist with the delivery of the Habitat Conservation Program that has wildlife and conservation types of initiatives.

The LSRCD also developed a partnership with the Manitoba Habitat Heritage Corporation on two Green Banks Projects located on the Oak River and the Little Saskatchewan River.

Soils

Early in the year the Board initiated a Forage Seed Assistance Program to assist producers in putting highly erodible lands into a permanent cover. The Program was introduced as a recognized need to protect marginal or vulnerable lands and to reduce infrastructure cost incurred later. Over 283.29 ha were secured and $7,380 delivered in assistance throughout the first year of the Program.

The Board introduced a Grassed Runway Program in efforts to stabilize erosion along natural drainage systems. Three projects were planned for the upcoming spring.

Recognizing a need to provide producers with their grass seeding requirements, the LSRCD partnered with DUC to purchase a Grass Drill Program for the District.

APPENDIX A

WHITEMUD WATERSHED CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2000

MNP
MEYERS NORRIS PENNY

The Members of the Board
Whitemud Watershed Conservation District

AUDITORS' REPORT

We have audited the balance sheet of Whitemud Watershed Conservation District as at March 31, 2000 and the statements of operations and surplus for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2000 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny
Chartered Accountants

May 3, 2000

WHITEMUD WATERSHED CONSERVATION DISTRICT

BALANCE SHEET
MARCH 31, 2000

	1999	2000
ASSETS		
CURRENT		
Cash	351,859	313,338
Accounts receivable	48,730	25,452
Inventory	44,399	51,036
Prepaid expenses	16,872	215
	461,860	390,041
CAPITAL ASSETS (Note 2)	125,148	90,783
	587,008	480,824
LIABILITIES AND EQUITY		
CURRENT		
Accounts payable	211,381	27,011
Unearned outside funding	13,974	13,974
Unearned municipal levies	-	10,116
	225,355	51,101
WATERSHED PROGRAMS SURPLUS		
Sub-district program	13,538	74,907
General board program	35,097	29,556
Equipment program	136,766	129,360
Inventory program	26,412	24,821
Rosedale farm program	(1,746)	(1,235)
Emergency reserve	30,000	30,000
Sick leave reserve	20,546	21,174
Infrastructure program	100,000	120,000
U-Count reserve	1,040	1,140
	361,653	429,723
	587,008	480,824

ON BEHALF OF THE BOARD:

.... DIRECTOR

.... DIRECTOR

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
SUB-DISTRICT PROGRAM
YEAR ENDED MARCH 31, 2000

	Willowbend Creek #35	Westbourne Drain #36	Squirrel Creek #37	Pine Creek #38
REVENUE				
Municipal levies	18,016	23,118	18,441	21,525
Province of Manitoba	72,507	33,135	33,967	25,484
	90,523	56,253	52,408	47,009
EXPENDITURES				
Channel maintenance				
Silt removal	44,003	9,354	21,590	9,660
Vegetation control	26,599	15,758	16,821	8,958
Miscellaneous	286	-	-	1,814
Crossings				
Repairs	7,320	8,002	3,488	9,147
Replacement	6,341	-	-	2,815
Water storage				
Maintenance	1,656	2,653	596	262
Goods and services tax	1,746	945	1,492	709
Property tax adjustments and interest	8,722	7,469	1,303	614
	96,673	44,181	45,290	33,979
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(6,150)	12,072	7,118	13,030
SURPLUS (DEFICIT), BEGINNING OF YEAR	13,801	8,956	(2,306)	(11,832)
SURPLUS, END OF YEAR	7,651	21,028	4,812	1,198

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
SUB-DISTRICT PROGRAM (CONTINUED)
YEAR ENDED MARCH 31, 2000

	Central Whitemud #39	Upper Whitemud #40	Big Grass Marsh #42	Big Grass River #43
REVENUE				
Municipal levies	21,350	10,342	35,868	53,517
Province of Manitoba	63,294	20,474	65,334	119,446
Grants	1,331	1,886	-	522
	85,975	32,702	101,202	173,485
EXPENDITURES				
Channel maintenance				
Grassed waterways	5,643	11,065	-	-
Silt removal	7,110	-	22,058	32,206
Vegetation control	53,828	14,603	25,066	72,176
Miscellaneous	1,098	779	1,215	4,392
Crossings				
Repairs	9,391	432	21,206	20,820
Replacement	-	-	2,799	14,761
Water storage				
Projects	2,619	-	-	-
Maintenance	2,940	-	-	56
Goods and services tax	1,763	419	1,615	3,296
Property tax adjustments and interest	-	-	3,152	1,554
Infrastructure reserve	-	-	10,000	10,000
	84,392	27,298	87,111	159,261
EXCESS OF REVENUE OVER EXPENDITURES	1,583	5,404	14,091	14,224
SURPLUS (DEFICIT), BEGINNING OF YEAR	(1,946)	11,200	(8,017)	3,682
SURPLUS (DEFICIT), END OF YEAR	(363)	16,604	6,074	17,906

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
SUB-DISTRICT PROGRAM (CONTINUED)
YEAR ENDED MARCH 31, 2000

	1999	2000
REVENUE		
Municipal levies	144,860	202,177
Province of Manitoba	376,940	433,638
Municipal grants	664	-
Infrastructure grant	250,000	-
Grants	3,666	3,739
	776,130	639,554
EXPENDITURES		
Channel maintenance		
Grassed waterways	8,386	16,708
Silt removal	126,068	145,981
Vegetation control	209,755	233,809
Miscellaneous	3,854	9,584
Crossings		
Repairs	56,641	79,806
Replacement	(30,442)	26,716
Water storage		
Projects	14,008	2,619
Maintenance	5,524	8,163
Goods and services tax	8,793	11,985
Property tax adjustments and interest	-	22,814
Infrastructure crossings	333,332	-
Infrastructure reserve	100,000	20,000
	835,919	578,185
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(59,789)	61,369
SURPLUS, BEGINNING OF YEAR	73,327	13,538
SURPLUS, END OF YEAR	13,538	74,907

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
GENERAL BOARD PROGRAM
YEAR ENDED MARCH 31, 2000

	1999	2000
REVENUE		
Province of Manitoba	293,026	253,473
Municipal levy	36,000	40,000
Interest earned	14,065	11,676
Co-op equity	395	136
Miscellaneous	-	45
Individual contributions	67,583	7,331
Special project funding	50,567	53,193
Federal/provincial grants	1,828	3,030
Transfer from equipment program	31,096	26,257
Gain on sale of office assets	100	-
	494,660	395,141
EXPENDITURES		
Administration		
Manager's salary	50,354	41,782
Manager's expenses	4,781	3,521
Secretary - treasurer and secretary salaries	28,105	26,556
Board members remuneration and expenses	36,977	41,174
Superintendent's salary	39,172	40,095
Superintendent's expenses	12,867	13,925
Professional fees	1,650	1,650
Rent	16,172	16,172
Office supplies	18,786	12,186
Insurance	1,036	1,053
Amortization	3,354	4,899
Public relations	366	516
Small tools	1,238	1,377
Goods and services tax	2,771	2,796
	217,629	207,702
Specific programs		
Conservation corridors	910	-
Conservation corner treeplanting	-	8,803
Demonstrations	625	-
Forage crops	82,296	5,508
Riparian	10,000	(3,300)
Shelterbelts	12,757	12,439
Shelterbelt weed control	25,376	25,449
Summer student	5,123	14,241
Wildlands	14,205	12,379
Resource extension and public education	69,280	64,268
Special project funding	49,484	53,193
	270,056	192,980
	487,685	400,682
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	6,975	(5,541)
SURPLUS, BEGINNING OF YEAR	28,122	35,097
SURPLUS, END OF YEAR	35,097	29,556

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
EQUIPMENT PROGRAM
YEAR ENDED MARCH 31, 2000

	1999	2000
REVENUE		
Rentals	83,559	94,166
Gain on disposal of equipment	-	2,000
	83,559	96,166
EXPENDITURES		
Fuel and oil	12,281	14,493
Repairs and maintenance	18,633	24,202
Insurance and licenses	3,025	2,947
Amortization	34,571	30,505
Salaries	4,423	3,945
Goods and services tax	854	1,223
Transfer to general board program	31,096	26,257
	104,883	103,572
EXCESS OF EXPENDITURES OVER REVENUE	21,324	7,406
SURPLUS, BEGINNING OF YEAR	158,090	136,766
SURPLUS, END OF YEAR	136,766	129,360

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
INVENTORY PROGRAM
YEAR ENDED MARCH 31, 2000

	1999	2000
REVENUE		
Sales	16,284	18,818
COST OF SALES		
Inventory, beginning of year	33,321	44,399
Purchases	24,342	22,119
	57,663	66,518
Inventory, end of year	44,399	51,036
	13,264	15,482
GROSS PROFIT	3,020	3,336
EXPENDITURES		
Amortization	161	161
Insurance	253	246
Goods and services tax	72	67
Salaries	3,777	2,124
Yard maintenance	2,479	2,329
	6,742	4,927
EXCESS OF EXPENDITURES OVER REVENUE	3,722	1,591
SURPLUS, BEGINNING OF YEAR	30,134	26,412
SURPLUS, END OF YEAR	26,412	24,821

WHITEMUD WATERSHED CONSERVATION DISTRICT

STATEMENT OF OPERATIONS AND SURPLUS
ROSEDALE FARM PROGRAM
YEAR ENDED MARCH 31, 2000

	1999	2000
REVENUE		
Forage sales	11,848	8,353
Crop share	1,196	899
Patronage	28	1
	13,072	9,253
EXPENDITURES		
Fertilizer and rotovating	6,283	2,496
Harvesting	6,641	6,246
	12,924	8,742
EXCESS OF REVENUE OVER EXPENDITURES	148	511
SURPLUS (DEFICIT), BEGINNING OF YEAR	(1,894)	(1,746)
DEFICIT, END OF YEAR	1,746	1,235

WHITEMUD WATERSHED CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2000

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1. OPERATIONS AND ACCOUNTING POLICIES

Whitemud Watershed Conservation District was established by an Order-in-Council of the Province of Manitoba on March 22, 1972. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors from the various municipalities involved in the Conservation District. The District is exempt from income taxes.

The financial statements have been prepared in accordance with generally accepted accounting principles and include the following significant accounting policies:

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method.

CAPITAL ASSETS

Capital assets are recorded at cost. Amortization is provided using the following method and rates intended to amortize the cost of the assets over their estimated useful lives. The annual rates are as follows:

	Method	Rate
Building	straight line	5%
Fence	straight line	5%
Equipment	straight line	15%
Pump equipment	straight line	50%

2. CAPITAL ASSETS

	1999	2000		
	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Land	1,835	1,835	-	1,835
Building	9,645	27,644	18,641	9,003
Fence	-	5,339	5,339	-
Equipment	113,668	374,326	294,381	79,945
	125,148	409,144	318,361	90,783

WHITEMUD WATERSHED CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2000

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3. LEASE COMMITMENT

The District occupies leased premises subject to a minimum annual rental of $16,657 until 2002.

4. SICK LEAVE RESERVE

The reserve has been established to recognize the accrual of sick leave of the employees. The employees accrue sick leave at the rate of one and one-quarter days per month employed. At March 31, 2000, the aggregate amount of possible claims was $48,352.

5. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date.

Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 issue that may affect the entity, including those related to customers, suppliers or other third parties, have been fully resolved.

WHITEMUD WATERSHED CONSERVATION DISTRICT

SCHEDULE OF COST SHARING
FOR THE YEAR ENDED MARCH 31, 2000

	Cost Share	Total Expenditure	Provincial	Local	External
PROGRAM MANAGEMENT					
General	75/25/0	204,878	153,658	51,220	-
Other	0/100/0	2,823	-	2,823	-
ASSETS					
Office equipment	75/25/0	-	-	-	-
Infrastructure reserve account	75/25/0	20,000	15,000	5,000	-
PUBLIC EDUCATION					
General	75/25/0	75,480	56,610	18,870	-
Career plcmnt/CareerStart/MB Hydro	0/0/100	14,893	-	-	14,893
SOILS					
Shelterbelt/gully/riparian/soils demo	75/25/0	34,588	25,941	8,647	-
Forage assistance	25/75/0	5,508	1,377	4,131	-
MB Ag sustain init funding	0/0/100	3,300	-	-	3,300
WILDLIFE/FISHERIES					
Wildlife programs/conservation corridors	75/25/0	21,182	15,886	5,296	-
Hab Cons Prg (DU)/Fisheries enhanmnt	0/0/100	38,030	-	-	38,030
WATER					
Maintenance	75/25/0	414,243	310,683	103,560	-
New projects/reconstruction	75/25/0	2,619	1,964	655	-
CROSSINGS					
Repairs/replacements	75/25/0	106,522	79,892	26,630	-
Infrastructure funding	0/25/75	-	-	-	-
OTHER	75/25/0	34,800	26,100	8,700	-
TOTAL EXPENDITURES		**978,866**	**687,111 70%**	**235,532 24%**	**56,223 6%**

SCHEUDLE OF PROVINCIAL GRANT RECEIVABLE/PAYABLE
YEAR ENDED MARCH 31, 2000

LESS, 1998-1999 provincial grant receivable	**(1,434)**
PROVINCIAL GRANT, 1999-2000	**670,000**
	668,566
LESS, 1999-2000 allocated grant	**687,111**
PROVINCIAL GRANT RECEIVABLE 2000-2001	**18,545**

APPENDIX B

ZAPLITNY & ZAMRYKUT
Chartered Accountants

F.D. Zaplitny, C.A., C.F.P.
D.A. Zamrykut, B.Comm., C.A.
S.D. Love, B.Comm., C.A.

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Fax (204) 638-773

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

FINANCIAL STATEMENTS

As at March 31st, 2000

AUDITOR'S REPORT

To the Board of Directors of the Turtle River Watershed Conservation District:

We have audited the balance sheet of Turtle River Watershed Conservation District #2 as at March 31st, 2000 and the other statements, being Exhibits "B" to "G" inclusive which covers the year then ended. These financial statements are the responsibility of the board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Watershed as at March 31st, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Zaplitny + Zamrykut

ZAPLITNY & ZAMRYKUT,
Chartered Accountants

DAUPHIN, Manitoba
June 12th, 2000

EXHIBIT "A"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

BALANCE SHEET
As at March 31st, 2000 and 1999

	2000	1999
ASSETS		
Current Assets -		
Cash on Hand and in Bank	$ 26,054	45,046
Short Term Investments	3,449	
Receivable - Province of Manitoba - Note 2		7,953
Accounts Receivable - Special Crossing Replacement - Note 3	19,462	65,335
Accounts Receivable - Note 4	37,255	29,529
Prepaid Expenses	446	631
Inventory	111,405	108,652
Total Current Assets	198,071	257,146
Fixed Assets, Net Book Value - Note 5	30,701	37,725
Total	$ 228,772	294,871
LIABILITIES		
Current Liabilities -		
Accounts Payable - Note 6	$ 26,477	29,986
Labour Crew Surcharge	10,142	4,713
Prepaid Levy and Grant	1,318	
Special Crossing Replacement Commitment - Note 7	———	77,847
Total Current Liabilities	37,937	112,546
Watershed Fund Accounts -		
General Board Fund - Exhibit "B"	124,562	123,805
Flood Protection Reserve - Exhibit "C"	2,306	10,863
Emergency Reserve - Exhibit "D"	13,771	12,771
Land Development Reserve - Exhibit "E"	324	
Equipment Fund - Exhibit "F"	49,872	34,886
Total Watershed Fund Accounts	190,835	182,325
Total	$ 228,772	294,871

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "B"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

STATEMENT OF GENERAL BOARD PROGRAM ACCOUNT
For the Years Ended March 31st, 2000 and 1999

	2000	1999
Revenue -		
Municipal Levies	$ 79,479	72,394
Province of Manitoba Allocated Grant	390,047	404,419
Municipal Grants	48,449	59,913
SDIF Grants		88,000
Other Grants	2,184	10,560
Custom Work	28,799	21,056
Forage Assistance	11,239	10,849
Interest Income	423	217
Other Income	1,864	3,004
Transfer from Reserve Accounts:		
Equipment Reserve		1,568
Flood Protection Reserve	8,557	8,557
Land Development Reserve	6,080	10,961
	577,121	691,498
Expenditures -		
Board Remuneration	22,881	19,666
Administration	22,942	23,321
Wages and Benefits	86,174	82,466
Staff Expenses	13,544	16,478
Office Rent	5,998	5,998
D.R.V.A.R.P.		4,008
MCDA Dues	1,939	1,917
Public Education	15,052	9,152
Custom Work and Spray	28,799	21,228
Forage Assistance	19,913	21,842
Turtle River Boat Launch, Burrows Trail		105
Land Purchase		14,091
Grassed Waterway	2,507	4,053
Land Management Services	24,320	
Drain Cleanouts	87,015	156,007
Brushing and Spraying	28,191	15,680
General Maintenance	34,757	45,276
Flood Protection	8,557	8,557
Crawford Creek Rehabilitation	12,966	17,572
Crossing Repairs	16,771	21,031
Crossing Replacements	74,280	50,567
Program Evaluation	4,349	13,385
Consultant Fees	22,474	18,933
Labour Crew Costs	18,902	24,557
Shed Expenses	2,200	2,111
Escarpental Erosion Control		88,597
Depreciation Expense	9,216	16,358
Other	1,320	4,726
Total Forward	$ 565,067	707,682

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "B"
CONT'D

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

STATEMENT OF GENERAL BOARD PROGRAM ACCOUNT
For the Years Ended March 31st, 2000 and 1999

	2000	1999
Total Expenditures Before Transfers to Reserves	$ 565,067	707,682
Excess Revenues over Expenditures (Expenditures over Revenues)	12,054	(16,184)
Deduct: Transfers to Reserve Accounts -		
Equipment Reserve	8,000	
Land Development Reserve	6,404	
Emergency Reserve	1,000	1,000
Total Transfers	15,404	1,000
Excess Revenues over Expenditures (Expenditures over Revenues)	(3,350)	(17,184)
Add: Opening Balance	123,805	156,267
Inventory Adjustment	4,107	(15,278)
Closing Balance	$ 124,562	123,805

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "C"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

STATEMENT OF FLOOD PROTECTION RESERVE
For the Years Ended March 31st, 2000 and 1999

		2000	1999
Amount at Opening	$	10,863	19,420
Add -			
Transfer from General Board Fund		NIL	NIL
		10,863	19,420
Deduct -			
Transfer to General Board Fund		8,557	8,557
Amount at Closing	$	2,306	10,863

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "D"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

STATEMENT OF EMERGENCY RESERVE
For the Years Ended March 31st, 2000 and 1999

	2000	1999
Amount at Opening	$ 12,771	11,771
Add -		
Transfer from General Board Fund	1,000	1,000
Amount at Closing	$ 13,771	12,771

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "E"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

STATEMENT OF LAND DEVELOPMENT RESERVE
For the Years Ended March 31st, 2000 and 1999

		2000	1999
Amount at Opening	$	NIL	10,961
Add -			
Transfer from General Board Fund		6,404	
		6,404	10,961
Less -			
Transfer to General Board Fund		6,080	10,961
Amount at Closing	$	324	NIL

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "F"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

STATEMENT OF EQUIPMENT ACCOUNT
For the Years Ended March 31st, 2000 and 1999

	2000	1999
Revenues -		
Truck	$ 21,993	19,697
Tractor	5,467	1,840
Labour Crew Tools and Equipment	4,303	3,710
Sprayer	1,306	1,051
Total	33,069	26,298
Expenditures -		
Truck	19,597	17,013
Tractor	3,221	19
Labour Crew Tools & Equipment	1,157	1,025
Sprayer	1,669	2,999
Trailer	439	624
Total	26,083	21,680
Excess Revenues over Expenditures	6,986	4,618
Balance, Beginning of Year	34,886	31,836
	41,872	36,454
Add Transfer from Board Fund - Tractor	8,000	
Less Transfer to Board Fund		1,568
Balance, End of Year	$ 49,872	34,886

(The accompanying notes are an integral part of these financial statements)

EXHIBIT "G"

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

SCHEDULE OF PROVINCIAL CONTRIBUTIONS
For the Year Ended March 31st, 2000

	Total	% Shareable Prov/District/ External	Provincial Share	District Share	External Share
Projects and Programs:					
Program Management -					
Office Rent	$ 5,998	75/25/0	4,498	1,500	
Office Administration	22,942	75/25/0	17,206	5,736	
Staff Wages	86,174	75/25/0	64,630	21,544	
Staff Expenses	13,544	75/25/0	10,158	3,386	
Board Remuneration	22,881	75/25/0	17,161	5,720	
Program Evaluation	4,349	37/12/51	1,624	541	2,184
Consultant Fees	22,474	75/25/0	16,856	5,618	
Public Education	15,052	75/25/0	11,289	3,763	
Soil -					
Forage Program	19,913	55.8/44.2	11,120	8,793	
Grassed Waterways	2,506	75/25/0	1,879	627	
Plastic Mulch Program	1,320	75/25/0	990	330	
Water -					
Drain Cleanouts	87,016	75/25/0	65,262	21,754	
Land Management Services	24,320	75/25/0	18,240	6,080	
General Maintenance	34,757	75/25/0	26,068	8,689	
Brushing and Spraying	28,191	75/25/0	21,143	7,048	
Custom Work & Spraying	28,798	0/100/0		28,798	
Crawford Creek Rehabilitation	12,966	75/25/0	9,725	3,241	
Crossings -					
Crossing Repairs	16,771	75/25/0	12,578	4,193	
Crossing Replacement	74,280	75/25/0	55,710	18,570	
Other -					
Labour Crew Costs	18,902	75/25/0	14,177	4,725	
Shed Expenses	2,200	75/25/0	1,650	550	
MCDA Dues	1,939	75/25/0	1,454	485	
Inventory Sales - Net	(1,353)	75/25/0	(1,015)	(338)	
Computer Purchase	2,192	75/25/0	1,644	548	
Flood Protection	8,557	0/100/0		8,557	
Depreciation	9,216	0/100/0		9,216	
Tractor Reserve	8,000	75/25/0	6,000	2,000	
Total	$ 573,905		390,047	181,674	2,184

(The accompanying notes are an integral part of these financial statements)

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

NOTES TO FINANCIAL STATEMENTS
March 31st, 2000

1. Significant Accounting Policies -

Fixed Assets are recorded at cost and depreciation is provided for in the Accounts calculated on the Straight-Line basis in accordance with their useful life on the following basis:

Office Equipment	15%
Computer Equipment	20%
Storage Yard Fence	5%
Tools & Equipment	20%
Building	4%
Truck	25%
Tractor	20%

2. Accounts Receivable - Province of Manitoba -

	2000	1999
Amount at Beginning of Year	$ 7,953	1,534
Add - Allocated to Watershed Programs - General Board	390,047	404,419
	398,000	405,953
Less - Grant Received	398,000	398,000
Balance, End of Year	$ NIL	7,953

3. Accounts Receivable - Special Crossing Replacement -

During the fiscal year end March 31st, 1999, Turtle River Watershed received $250,000 from the Province of Manitoba to update critical crossings. Funds must be cost shared at a rate of 25% coming from the local municipalities.

Balance, Beginning of Year	$ 65,335	NIL
Municipal Commitment		83,333
	65,335	83,333
Amount received from municipalities - During the Year	45,873	17,998
Remaining Commitment by municipalities	$ 19,462	65,335

4. Accounts Receivable -

Forage Customers	$ 8,795	10,934
GST Recoverable	6,784	1,180
Rural Municipalities and Villages	20,175	14,321
Canada Savings Bonds	1,137	1,716
Other	364	1,378
	$ 37,255	29,529

TURTLE RIVER WATERSHED CONSERVATION DISTRICT #2

NOTES TO FINANCIAL STATEMENTS
March 31st, 2000

5. Fixed Assets -

	Cost	Accumulated Depreciation	2000 Book Value	1999 Book Value
Office Equipment & Computers	$ 40,657	25,887	14,770	17,590
Fence	4,863	3,809	1,054	1,297
Trucks	68,302	68,302	NIL	NIL
Tools	23,073	22,863	210	2,565
Building	24,973	11,987	12,986	13,985
Plastic Mulcher	1,469	832	637	930
Tractor, Drill, Sprayer	24,981	24,981	NIL	NIL
Trailers	5,312	4,268	1,044	1,358
	$ 193,630	162,929	30,701	37,725

6. Accounts Payable -

	2000	1999
Forage Seed	$ 22,950	21,486
Trade Payables	393	2,148
O/S Land Issues	3,015	3,015
Other	119	3,337
	$ 26,477	29,986

7. Special Crossing Replacement Commitment -

Balance, Beginning of Year	$ 77,847	NIL
Total Commitment		333,333
Amount Paid During the Year	77,847	255,486
Balance, End of Year	$ NIL	77,847

As per Note 3, funding for the Crossing Replacements was to be provided by the Province in the amount of $250,000 and $83,333 from the local municipalities.

8. Land Acquisitions -

In accordance with district policy, land acquisitions are expensed in the year purchased. For information purposes, inventories of land parcels owned by the district are as follows:

Description	Purchase Date	Purchase Price
N1/2 of 31-23-17WPM	Dec 19/86	$ 21,500
SE1/4 of 27-20-14WPM	Mar 14/88	7,500
SW1/4 of 19-22-17WPM	June 28/89	20,000
NE1/4 22-20-14WPM	April 8/91	8,800
SW1/4 24-23-18WPM	Aug 10/90	22,500
S1/2 of 22-22-14WPM	May 2/89	13,000
NE1/4 of 1-22-14WPM	Mar 8/91	10,000
SW1/4 of 8-24-17WPM	Apr 27/92	14,500
PT of SE of 20-24-17WPM	Sept 8/94	4,132
NW of 30-23-17WPM	1996	17,500
SE1/4 of 25-23-18WPM	May 1/96	17,500
NE1/4 25-23-18WPM	1997	25,000
NW1/4 25-25-18WPM	1997	25,000
PT of N1/2 24-23-18WPM	1998	10,700

APPENDIX C

ALONSA CONSERVATION DISTRICT NO. 3

FINANCIAL STATEMENTS

MARCH 31, 2000

ALONSA CONSERVATION DISTRICT NO. 3

MARCH 31, 2000

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ALONSA CONSERVATION DISTRICT NO. 3

BALANCE SHEET
AS AT MARCH 31, 2000

	2000	1999
ASSETS		
CURRENT		
Accounts receivable		
Forage seed	$ 29,518	$ 23,096
GST recoverable	6,106	2,954
Other	11,401	1,088
Grants	-	10,714
	47,025	37,852
FIXED, notes 1 and 2	6,803	9,309
	$ 53,828	$ 47,161
LIABILITIES		
CURRENT		
Bank overdraft	$ 30,612	$ 1,713
Accounts payable and accrued liabilities	757	3,003
Unexpended grants, note 3	26,502	28,526
	57,871	33,242
EMERGENCY RESERVE ACCOUNT	10,000	5,000
SURPLUS		
SURPLUS (DEFICIT)	(14,043)	8,919
	$ 53,828	$ 47,161

COMMITMENT, note 5

APPROVED BY THE BOARD:

______________________ Chairman

______________________ Member

ALONSA CONSERVATION DISTRICT NO. 3

STATEMENT OF REVENUES, EXPENDITURES AND SURPLUS (DEFICIT)
YEAR ENDED MARCH 31, 2000

	2000	1999
REVENUES		
Province of Manitoba allocated grant	$ 228,311	$ 161,843
Municipal grants	57,200	49,776
Farmer assistance revenue	29,756	24,298
Investment revenue	4	-
Grant revenue, page 6	109,290	47,969
Sundry	1,229	1,594
	425,790	285,480
EXPENDITURES		
Projects expenditure, page 6	235,068	78,656
Board remuneration and expense	13,216	9,640
Other administration	24,549	44,569
Staff wages	65,637	43,365
Soils	70,841	59,728
Public relations and education	7,104	9,533
Summer Career, Partners with Youth, and Green Team programs	16,375	22,507
Fisheries	3,532	4,718
Wildlife	995	760
Vehicle	17,541	10,827
GST recovered	(6,106)	(2,954)
	448,752	281,349
EXCESS REVENUE (EXPENDITURE)	(22,962)	4,131
SURPLUS, beginning of year	8,919	4,788
SURPLUS (DEFICIT), end of year	$ (14,043)	$ 8,919

ALONSA CONSERVATION DISTRICT NO. 3

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2000

1. SIGNIFICANT ACCOUNTING POLICY

The financial statements of the district have been prepared in accordance with generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policy summarized below:

(a) Depreciation

Depreciation on equipment is calculated on a straight-line basis at 15% and on the computer equipment at 25% per annum and prorated in the year of acquisition.

2. FIXED ASSETS

	Cost	Accumulated Depreciation	2000 Net Book Value	1999 Net Book Value
Office equipment	$ 49,560	$ 47,143	$ 2,417	$ 2,909
District equipment	4,339	4,339		9
Computer hardware	8,023	3,637	4,386	6,391
	$ 61,922	$ 55,119	$ 6,803	$ 9,309

3. UNEXPENDED GRANTS

	2000	1999
Ducks Unlimited	$ 3,483	$ 3,483
GIS equipment grant	-	25,043
World Wildlife Fund	9,686	
Infrastructure Reserve Fund	13,333	
	$ 26,502	$ 28,526

4. STATEMENT OF CASH FLOWS

A separate statement of cash flows is not presented since cash flows from operating, investing and financial activities are readily apparent from the other financial statements.

ALONSA CONSERVATION DISTRICT NO. 3

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2000

5. COMMITMENT

The district entered into a three year operating lease of a 1999 GMC 4x4 at a monthly commitment of $600 to May, 2001. Minimum lease payments are:

2001	$	7,200
2002		1,200

6. COMPARATIVE FIGURES

Certain figures of the preceding year have been reclassified to conform with the current year's financial statement presentation.

7. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers, or other third parties, have been fully resolved.

ALONSA CONSERVATION DISTRICT NO. 3

SCHEDULE OF GRANT REVENUE AND PROJECTS EXPENDITURE
YEAR ENDED MARCH 31, 2000

	2000	1999
GRANT REVENUE		
Government of Canada - employment grant	$ 1,252	$ 1,760
Manitoba Hydro	2,412	-
Green Team program	9,750	9,125
GIS expansion	25,043	4,957
National Soil & Water Conservation	-	3,179
Infrastructure Program	50,000	19,039
Fish Enhancement Initiative	798	9,909
Culture Heritage - Tobacco Rock	2,404	-
RM of Mossey River	1,500	-
NSWCP	3,317	-
World Wildlife Fund - ALEAFE	12,814	-
	$ 109,290	$ 47,969
PROJECTS EXPENDITURE		
Infrastructure	$ 65,045	$ 25,385
Forestry	4,758	1,275
Fish Hatchery	-	10,042
Fishery	5,025	-
PR & Education	8,100	-
GIS / Expansion	32,162	-
Miscellaneous crossing repairs	11,421	13,792
Water	20,534	-
Channel maintenance	64,385	20,406
World Wildlife Fund - ALEAFE	12,814	-
Trail maintenance	5,975	2,759
National Soil & Water Conservation	4,849	-
CMAAS	-	4,997
	$ 235,068	$ 78,656

ALONSA CONSERVATION DISTRICT NO. 3

SCHEDULE OF PROVINCIAL CONTRIBUTIONS
YEAR ENDED MARCH 31, 2000
(Unaudited)

	Total	% Shareable Prov./Dist./ External	Province Share	District Share	External Share
PROJECTS AND PROGRAMS					
Trails Maintenance	$ 8,629	75/25/0	$ 6,471	$ 2,157	$ -
Surveying & Engineering	5,500	75/25/0	4,125	1,375	-
Summer Career Placement	3,146	45/15/40	1,420	473	1,252
Public Relations and Education	7,104	68/23/9	4,830	1,610	665
On-Site Placement Program	2,247	75/25/0	1,685	562	-
Green Team	13,229	19/6/73	2,609	870	9,750
WWF/ACD LAFES Project	12,814	100/0/0	-	-	12,814
Forage Seed Program	70,626	57/0/43	40,870	-	29,756
Soils Program	215	75/25/0	162	54	-
Wildlife Habitat	995	58/19/23	576	192	227
Fish Spawning	3,532	75/25/0	2,649	883	-
Fish Habitat Projects	5,025	63/21/16	3,170	1,057	798
Forestry	4,758	36/12/64	1,760	587	2,412
Channel Maintenance	64,385	73/24/03	47,163	15,721	1,500
Crossings	11,421	75/25/0	8,566	2,855	-
Mellonville Drain Project	896	75/25/0	672	224	-
NSWCP	4,849	23/7/77	1,149	383	3,317
Well-capping program	805	75/25/0	604	201	-
Ceremonial Site	3,200	19/6/75	597	199	2,404
GST refund	(6,106)	75/25/0	(4,580)	(1,527)	-
GIS / Expansion	32,162	18/5/77	5,339	1,780	25,043
Infrastructure Reserve Fund	13,333	75/25/0	10,000	3,333	-
	262,765		139,837	32,989	89,938
PROGRAM SUPPORT					
Board remuneration	13,216	75/25/0	9,912	3,304	-
Office administration	21,562	75/25/0	16,172	5,391	-
100% Board administration	481	0/100/0	-	481	-
Manager salaries and expenses	38,528	75/25/0	28,896	9,632	-
Fin. Ad. salaries and expenses	27,109	75/25/0	20,332	6,777	
Vehicle expenses	17,541	75/25/0	13,156	4,385	-
	118,437		88,468	29,970	-

ALONSA CONSERVATION DISTRICT NO. 3

SCHEDULE OF PROVINCIAL CONTRIBUTIONS
YEAR ENDED MARCH 31, 2000
(Unaudited)

	Total	% Shareable Prov./Dist./ External	Province Share	District Share	External Share
OTHER PROGRAMS					
A. Robertson Museum	11,630	0/0/100	-	-	11,630
Infrastructure	65,045	0/25/75	-	6,346	50,000
	76,675		-	6,346	61,630
ASSETS					
Non-cost shared depreciation	2,148	0/100/0	-	2,148	-
Cost shared depreciation	9	75/25/0	7	2	-
	2,157		7	2,150	-
TOTAL	$ 460,034		$ 228,312	$ 71,455	$ 151,568

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE / PAYABLE
YEAR ENDED MARCH 31, 2000

	2000	1999
Provincial Grant	$ 218,000	$ 163,000
Less, receivable, beginning of year	1,088	2,245
	216,912	160,755
Less: Provincial allocation	228,311	161,843
Receivable, end of year	$ 11,399	$ 1,088

TURTLE MOUNTAIN CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2000

MNP

MEYERS NORRIS PENNY

The Board
Turtle Mountain Conservation District No. 4

AUDITORS' REPORT

We have examined the statement of financial position of the Turtle Mountain Conservation District No. 4 as at March 31, 2000 and the statements of operations and changes in cash resources for the year then ended. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As explained in Note 1, the statement of operations has not combined the transactions of the Sub-District Programs, Equipment Programs or Reserve Funds with those of the General Board Program. Had a statement of operations included the combined results of all of the funds, the excess of revenues over expenses would have shown $47,841 (1999, $14,272).

In our opinion, except that the statement of operations does not combine the results of all funds as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the district as at March 31, 2000 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny
Chartered Accountants

June 16, 2000

233 QUEEN ST. W., BOX 670, VIRDEN, MB R0M 2C0 PH. (204) 748-1340 FAX (204) 748-3294

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 1

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2000

	2000	1999
ASSETS		
CURRENT		
Cash and short term investments	**338,957**	323,618
Accounts receivable (Note 2)	**57,231**	63,308
Inventory	**2,626**	1,054
	398,814	387,980
EQUIPMENT (Note 3)	**103,798**	86,451
	502,612	474,431
LIABILITIES		
CURRENT		
Accounts payable	**10,646**	11,678
Unearned revenue	**74,326**	92,954
	84,972	104,632
SURPLUS (DEFICIENCY)		
GENERAL BOARD PROGRAM	**202,332**	160,872
SUB-DISTRICT PROGRAM	**104,593**	98,105
EQUIPMENT PROGRAM #1	**(541)**	(622)
EQUIPMENT PROGRAM #2	**77,010**	77,198
EQUIPMENT RESERVE	**32,000**	32,000
FORAGE SEED RESERVE	**2,246**	2,246
	417,640	369,799
	502,612	474,431

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 2

GENERAL BOARD PROGRAM
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2000

	2000	1999
REVENUE		
Province of Manitoba	**190,090**	204,945
Municipal levies	**52,443**	52,443
Direct charges	**4,386**	5,076
Ducks Unlimited	**39,587**	39,906
Interest	**13,454**	14,135
Land rental	**2,335**	2,750
Local wildlife groups	**-**	1,000
Miscellaneous	**2,962**	6,034
Recreation Committee	**630**	625
Soils Committee	**27,756**	85,667
Agricultural Sustainability Initiative	**13,958**	5,000
Canada Agri Infrastructure Program	**720**	9,421
Transfer from Equipment Program #2	**16,500**	4,236
National Soil and Water Conservation Program	**15,000**	-
Outside funding	**10,457**	-
Transfer from sub-district program	**8,460**	-
	398,738	431,238

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 2

GENERAL BOARD PROGRAM
STATEMENT OF OPERATIONS
MARCH 31, 2000

	2000	1999
EXPENSES		
Administrative - general	63,008	56,758
- local	180	180
Board and committee remuneration	17,871	18,031
Amortization - office equipment	3,145	2,549
- field equipment	21,886	21,423
- program support equipment	381	298
Direct expenses	128	5,076
District supervisor - salary	43,342	43,258
- expenses	1,687	2,463
Professional education and development	862	-
Program support assistant	5,991	10,579
Public relations	50	65
Special Programs		
Forage Seed Assistance	67,918	113,582
Public Education	21,119	22,323
Road Allowance Program	1,430	15,796
Shelterbelt Program	44,608	47,975
Wildlife Habitat Improvement Program	12,956	42,545
Demonstration Projects	5,061	3,909
Holistic Resource Management Course	1,511	14,184
Planned Grazing Projects	5,000	5,000
Salinity Barrier Program	4,420	2,832
Flushing Bar Program	1,316	1,124
Waterfowl Habitat Lease Program	1,750	1,250
No-Till Program	7,700	5,700
Solid Seeding Sunflower Program	2,235	-
Saline Tolerant Grass Demonstrations	1,723	-
Land conversion	2,000	-
Salinity Barriers Demonstration	3,000	-
Access ramps	15,000	-
	357,278	436,900
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	41,460	(5,662)
SURPLUS - Beginning of year	160,872	166,534
SURPLUS - End of year	202,332	160,872

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 3

SUB-DISTRICT PROGRAM
STATEMENT OF OPERATIONS AND SURPLUS
YEAR ENDED MARCH 31, 2000

	WAKOPA	UPPER PEMBINA	WEST ARTHUR	WASKADA CREEK	MEDORA CREEK	CHAIN LAKES	ELGIN CREEK WH. LAKE	TOTAL 2000	TOTAL 1999
REVENUE									
Municipal levies	8,433	7,823	2,951	8,590	6,798	2,301	6,639	43,535	43,534
Province of Manitoba	22,161	18,166	10,897	18,608	15,074	6,450	21,305	112,661	100,652
Program Revenue		324	887				87	1,298	490
Ducks Unlimited							5,000	5,000	1,226
Land Rental Revenue						700		700	298
Nat. Soil & Water Cons. Program									11,000
Special Cons. Fund	10,888							10,888	23,112
Sustainable Dev. Innov. Fund	8,029							8,029	
Natural resources	9,411							9,411	
	58,922	26,313	14,735	27,198	21,872	9,451	33,031	191,522	180,312
EXPENSES									
Runway Stabilization		12,132	4,067	16,988	9,569	737	1,056	44,549	39,828
Water storage	2,893	4,264	5,326	55	5,627	3,113	22,177	43,455	26,932
Engineering	3,339	3,374	5,105	6,711	2,862	2,328	6,094	29,813	33,029
Habitat/Riparian					333	2,962	165	3,460	23,588
Killarney Lake Curtain Project	8,259							8,259	34,112
Other	27,827	163	32		226	31	689	28,968	12,589
Well sealing	414			1,056		129	212	1,811	
Road allowance	8,922	4,544			1,644		1,149	16,259	
Transferred to Board Program	6,486						1,974	8,460	
	58,140	24,477	14,530	24,810	20,261	9,300	33,516	185,034	170,078
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	782	1,836	205	2,388	1,611	151	(485)	6,488	10,234
SURPLUS (DEFICIENCY) - Beginning of year	11,670	25,766	2,201	322	28,636	9,077	20,433	98,105	87,871
SURPLUS - End of year	12,452	27,602	2,406	2,710	30,247	9,228	19,948	104,593	98,105

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 4

EQUIPMENT PROGRAM #1
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2000

	2000	1999
REVENUE		
Equipment revenue	5,640	5,187
EXPENSES		
Repairs and maintenance	1,865	5,129
Amortization	3,694	2,040
	5,559	7,169
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	81	(1,982)
SURPLUS (DEFICIENCY) - Beginning of year	(622)	1,360
(DEFICIENCY) - End of year	(541)	(622)

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 5

EQUIPMENT PROGRAM #2
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2000

	2000	1999
REVENUE		
Equipment revenue	44,299	41,663
EXPENSES		
Insurance and licences	2,843	2,874
Repairs and maintenance	25,144	22,872
Transfer to General Board Program	16,500	4,235
	44,487	29,981
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(188)	11,682
SURPLUS - Beginning of year	77,198	65,516
SURPLUS - End of year	77,010	77,198

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 6

EQUIPMENT RESERVE
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2000

	2000	1999
REVENUE		
Equipment revenue	-	-
EXPENSES	-	-
EXCESS OF REVENUE OVER EXPENSES	-	-
SURPLUS - Beginning of year	32,000	32,000
SURPLUS - End of year	32,000	32,000

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 7

FORAGE SEED RESERVE
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2000

	2000	1999
EXPENSES		
Transfer to General Board Program	-	-
EXCESS OF EXPENSES OVER REVENUE	-	-
SURPLUS - Beginning of year	2,246	2,246
SURPLUS - End of year	2,246	2,246

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

STATEMENT 8

STATEMENT OF CHANGES IN CASH RESOURCES
YEAR ENDED MARCH 31, 2000

	2000	1999
OPERATING		
Excess of revenue over expenses	**47,841**	14,272
Changes in working capital accounts		
Amortization	**29,106**	26,310
	76,947	40,582
Changes in operating working capital items		
Accounts receivable	**6,077**	(57,904)
Inventory	**(1,572)**	1,010
Accounts payable	**(19,660)**	9,638
	61,792	(6,674)
INVESTING		
Purchase of equipment	**(46,453)**	(7,821)
INCREASE (DECREASE) IN CASH RESOURCES	**15,339**	(14,495)
CASH RESOURCES, Beginning of year	**323,618**	338,113
CASH RESOURCES, End of year	**338,957**	323,618
REPRESENTED BY:		
Cash	**338,957**	323,618

NOTE 1 - ACCOUNTING POLICIES

The Turtle Mountain Conservation District was incorporated under the laws of the Province of Manitoba, established primarily for the purpose of providing resource programs and planning for sustainable soil and water management.

The financial statements have been prepared in accordance with generally accepted accounting principles except that a summary statement combining the operations of all funds has not been provided, and recommended terminology by the Canadian Institute of Chartered Accountants Handbook has not all been adopted. Significant accounting policies include the following:

INVENTORY

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method.

EQUIPMENT

Equipment is recorded at cost. Donated equipment is recorded at estimated fair market value. Amortization is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives. The annual rates are as follows:

		Method	Rate
Office equipment		straight-line	15%
Field equipment	- machinery	straight-line	10%
	- vehicles	straight-line	15%
Program support equipment		straight-line	10%

EQUIPMENT GRANTS

Claims for assistance under various equipment grant programs are reflected as revenue in the period in which eligible expenses are incurred.

NOTE 2 – ACCOUNTS RECEIVABLE

	2000	1999
Trade	2,092	5,281
GST	1,709	2,601
Province of Manitoba (Schedule 2)	13,506	8,755
Other Programs	39,924	46,671
	57,231	63,308

NOTE 3 - EQUIPMENT

	1999	2000		
	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Office equipment	10,569	57,001	33,882	23,119
Field equipment - machinery	65,342	197,987	133,023	64,964
- vehicles	9,245	29,013	15,868	13,145
Program support equipment	1,295	5,007	2,437	2,570
	86,451	289,008	185,210	103,798

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

SCHEDULE 1

SCHEDULE OF COST SHARING
MARCH 31, 2000

	Total Expenditures	External	Provincial	Local
PROGRAM MANAGEMENT				
General	132,760	5,763	95,248	31,749
Other	230	-	-	230
	132,990	5,763	95,248	31,979
ASSETS				
Office equipment	5,719	-	4,289	1,430
Equipment	24,233	22,258	1,481	494
Automotive	16,500	-	-	16,500
Inventory	1,830	-	1,372	458
Amortization	83	-	62	21
Amortization	25,329	-	-	25,329
	73,694	22,258	7,204	44,232
PUBLIC EDUCATION				
Education	21,119	-	15,839	5,280
Management Course	1,511	1,211	225	75
	22,630	1,211	16,064	5,355
SOILS				
Forage seed	67,918	-	33,959	33,959
Shelterbelts	44,608	3,767	30,631	10,210
Land management	5,061	-	3,796	1,265
Road allowance	1,430	-	1,072	358
Direct expense	128	-	-	128
Planned grazing projects	5,000	5,000	-	-
Salinity Barrier Program	4,420	4,420	-	-
No Till Program	7,700	7,700	-	-
Solid Seeding Sunflowers	2,235	2,235	-	-
Saline Tolerant Grass	1,723	1,723	-	-
Salinity Program	3,000	3,000	-	-
Land conversion	2,000	2,000	-	-
Access ramps	15,000	15,000	-	-
	160,223	44,845	69,458	45,920
WILDLIFE				
Wildlife Habitat	12,956	3,335	7,216	2,405
Flushing Bar Program	1,316	1,316	-	-
Waterfowl Habitat Lease	1,750	1,750	-	-
	16,022	6,401	7,216	2,405

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

SCHEDULE 1

SCHEDULE OF COST SHARING
MARCH 31, 2000

	Total Expenditures	External	Provincial	Local
SUB-DISTRICT PROGRAMS				
Maintenance	75,334	-	56,500	18,834
Reconstruction/New programs	12,670	5,000	5,753	1,917
Engineering	29,814	-	22,361	7,453
Habitat/Riparian	3,460	700	2,070	690
Well caping	1,811	-	1,358	453
Road allowance	16,259	257	12,002	4,000
Killarney Curtain	8,259	8,259	-	-
Other	28,968	18,411	7,516	3,041
	176,575	32,627	107,560	36,388
	582,134	113,105	302,750	166,279

TURTLE MOUNTAIN CONSERVATION DISTRICT NO. 4

SCHEDULE 2

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
MARCH 31, 2000

PROVINCIAL GRANT, 1999-2000	298,000
LESS, 1998-1999 Provincial Grant Receivable	8,755
	289,245
LESS, 1999-2000 Allocated Grant (Schedule 1)	302,751
PROVINCIAL GRANT RECEIVABLE, 1999-2000	13,506

APPENDIX E

COOKS CREEK
CONSERVATION DISTRICT NO. 5

FINANCIAL STATEMENTS

MARCH 31, 2000

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5	Statement of Revenue and Expenditures
6	Statement of Cash Flows
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12	Schedule of District Programs
13	Schedule of Cost Sharing

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AUDITOR'S REPORT

TO THE MEMBERS:
COOKS CREEK CONSERVATION DISTRICT NO. 5

I have audited the balance sheet of Cooks Creek Conservation District No. 5 as at March 31, 2000 and the statements of changes in surplus, revenue and expenditures and cash flows for the year then ended. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Province of Manitoba has not approved the funding of prior years' over-expenditures. As a result I am unable to confirm or verify by alternative means the unfunded deficit included in the financial statements totalling $220,339. Accordingly, I was not able to determine whether any adjustment might be necessary to unfunded deficit, revenue and excess of revenue over expenditures.

Management has elected to include an amount of $128,229 in both structure replacement revenues and structure replacement expenditures which was not earned or expended as of March 31, 2000. This is not in accordance with generally accepted accounting principles. The revenues were received immediately after year end and are part of the special crossing infrastructure program funded by the Province of Manitoba. Services and materials relating to the expenditures will be incurred in May and June, 2000. The effect of this departure from generally accepted accounting principles is to overstate revenue and expenditures for the year by $128,229. There is no effect on excess (deficiency) of revenue over expenditures for the year or surplus end of year.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself with respect to the balance of unfunded deficit described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2000 and the results of its operations and the changes in its surplus and cash flows for the year then ended in accordance with generally accepted accounting principles.

Jim M. Smith

CHARTERED ACCOUNTANT INC.

Winkler, Manitoba
May 11, 2000

COOKS CREEK CONSERVATION DISTRICT NO. 5

BALANCE SHEET

MARCH 31, 2000

LIABILITIES

	2000	1999	1998
CURRENT			
Accounts payable	$ 132,509	$ 53,050	$ 16,168
Unearned revenue	-	4,500	-
	132,509	57,550	16,168

SURPLUS

	2000	1999	1998
SURPLUS (page 4)	408,645	326,050	324,315
	$ 541,154	$ 383,600	$ 340,483

Commitment (note 7)

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF CHANGES IN SURPLUS

FOR THE YEAR ENDED MARCH 31,. 2000

	2000	1999	1998
Surplus, beginning of year	**$ 326,050**	$ 324,315	$ 317,688
Excess (deficiency) of revenue over expenditures	**66,863**	(5,472)	2,394
Transfer capital purchases net of direct funding	**15,732**	7,207	4,233
SURPLUS, END OF YEAR	**$ 408,645**	$ 326,050	$ 324,315

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF REVENUE AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999	1998
REVENUE			
Municipal levies			
Rural Municipality of Brokenhead	$ 282	$ 280	$ 196
Rural Municipality of Ste. Anne	1,984	1,810	1,266
Rural Municipality of Springfield	115,902	101,476	71,023
Rural Municipality of Tache	6,942	6,740	4,715
Provincial grants			
Rural development - funded	192,000	192,000	192,000
- unfunded	(25,764)	178,794	38,698
Other funding	6,774	5,600	5,742
Manitoba Disaster Assistance	-	7,569	105,133
Canada Employment	2,112	2,376	2,720
Manitoba Environment	13,984	22,771	-
National soils and PFRA	2,819	2,911	-
Rural Municipality of St. Clements	-	11,295	-
Structure replacement			
Provincial	450,000	450,000	-
Rural Municipality of Springfield	150,000	150,000	-
Interest income	1,821	5,024	4,583
Manitoba Natural Resources	9,000	2,500	-
Rural Municipality of Springfield	12,906	-	-
Rural Municipality of Brokenhead	1,277	-	-
	942,039	1,141,146	426,076
EXPENDITURES			
Program management (page 10)	70,296	86,875	78,531
Public education (page 10)	9,954	14,059	3,133
Assets (page 10)	4,187	7,207	4,233
District programs (page 11)	790,739	1,038,477	337,785
	875,176	1,146,618	423,682
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	$ 66,863	$ (5,472)	$ 2,394

COOKS CREEK CONSERVATION DISTRICT NO. 5

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999	1998
CASH PROVIDED BY (APPLIED TO):			
OPERATIONS			
Excess (deficiency) of revenue over expenditures	**$ 66,863**	$ (5,472)	$ 2,394
Non-cash item included in expenditures			
Amortization	**3,293**	3,757	1,977
	70,156	(1,715)	4,371
Changes in non-cash working capital (note 6)	**(32,141)**	(151,843)	98,823
	38,015	(153,558)	103,194
FINANCING			
Transfer capital purchases to capital assets	**15,732**	7,207	4,233
INVESTING			
Purchase of capital assets	**(15,732)**	(7,207)	(4,233)
Increase in investment	**-**	(9,000)	-
	(15,732)	(16,207)	(4,233)
INCREASE (DECREASE) IN CASH	**38,015**	(162,558)	103,194
Cash, beginning of year	**74,344**	236,902	133,708
CASH, END OF YEAR	**$ 112,359**	$ 74,344	$ 236,902

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

1. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the organization.

a) **Inventories**

Inventories of materials and supplies are not taken into account. Such items are expensed in the year purchased.

b) **Capital assets**

Capital assets are recorded at cost less direct funding assistance. Amortization is provided for in the accounts on a straight line basis at the following rates:

Office and computer equipment	15 - 25%
Program support equipment	15%

c) **Income taxes**

Cooks Creek Conservation District No. 5 is a non-profit organization and is exempt from income taxes under section 149 of the Income Tax Act.

2. ACCOUNTS RECEIVABLE

	2000	1999	1998
Goods and services tax	$ **14,230**	$ 22,177	$ 321
Manitoba Disaster Assistance	**-**	14,025	21,275
	$ **14,230**	$ 36,202	$ 21,596

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

3. UNFUNDED DEFICIT

Grants are received from the Province of Manitoba. A deficit results when District expenditures, which are cost-shared with the Province, exceed amounts for which funding has been received. Relevant details are as follows.

	2000	1999	1998
Balance, beginning of year	**$ 246,103**	$ 67,309	$ 28,611
Add: Provincial share of expenditures	**166,236**	370,794	230,698
Less: Provincial grant received	**(192,000)**	(192,000)	(192,000)
	$ 220,339	$ 246,103	$ 67,309

4. CAPITAL ASSETS

		Accumulated		**Net Book Value**	
	Cost	**Amortization**	**2000**	1999	1998
Land	**$ 8,454**	**$ -**	**$ 8,454**	$ 8,454	$ 8,454
Office & computer equipment	**31,625**	**21,277**	**10,348**	8,989	5,140
Program support equipment	**18,472**	**6,913**	**11,559**	479	878
	$ 58,551	**$ 28,190**	**$ 30,361**	$ 17,922	$ 14,472

5. INVESTMENT

In 1998, the District purchased GIS software and invested in a GIS fund partnership. The investment is stated at cost.

COOKS CREEK CONSERVATION DISTRICT NO. 5

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

6. CHANGES IN NON-CASH WORKING CAPITAL

	2000	1999	1998
Increase (decrease) in cash from changes in:			
Accounts receivable	**$ 21,972**	$ (14,606)	$ (19,913)
Accounts receivable - Province of Manitoba	**(154,865)**	-	141,465
Unfunded deficit	**25,764**	(178,794)	(38,698)
Prepaid expenses	**29**	175	(199)
Accounts payable	**79,459**	36,882	16,168
Unearned revenue	**(4,500)**	4,500	-
	$ (32,141)	$ (151,843)	$ 98,823

7. COMMITMENT

Under the terms of a premises lease the District is committed to minimum monthly payments of $575 for the period January 1, 1998 through December 31, 2000.

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999	1998
PROGRAM MANAGEMENT			
Amortization	$ 3,293	$ 3,757	$ 1,977
Audit and legal	1,082	927	927
Board expenses (100%)	587	2,447	514
Board remuneration and expenses	7,368	11,410	10,144
Insurance	1,114	1,120	1,087
Office operation	1,545	2,004	3,730
Printing, postage and stationery	2,176	999	1,832
Rent	6,638	6,638	6,136
Manager salary and benefits (portion only)	23,513	36,676	36,246
Manager expense	888	1,665	2,456
Administrator wages and expenses	19,096	16,913	13,482
Utilities	2,996	2,319	-
	$ 70,296	$ 86,875	$ 78,531
PUBLIC EDUCATION	$ 9,954	$ 14,059	$ 3,133
ASSETS	$ 4,187	$ 7,207	$ 4,233

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999	1998
DISTRICT PROGRAMS			
Water quality	$ 14,899	$ 23,466	$ 1,656
Riparian demonstration	300	-	-
Abandoned wells	5,456	5,734	6,240
Channel maintenance	83,414	205,377	92,038
Works coordinator salary and expenses	11,266	20,564	14,880
Survey crew salaries and expenses	24,952	41,457	44,644
Crossings	19,434	47,936	58,208
Cooks Creek fisheries inventory	6,506	-	-
Flood repairs	-	12,236	117,803
Boundary drain	-	55,256	2,316
Centreline drain	10,540	-	-
Oakbank wetland drain	-	8,554	-
Sapton drain	27,225	-	-
Spruce drain	4,635	-	-
Structure replacement	582,112	617,897	-
	$ 790,739	$ 1,038,477	$ 337,785

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF DISTRICT PROGRAMS

FOR THE YEAR ENDED MARCH 31, 2000

	Sub-District					
	9	11	12			
	Lower Seine River	**Cooks Creek**	**Carrs Creek**	**Other**	**2000**	**1999**
Board programs						
Abandoned wells	$ -	$ -	$ -	$ 5,456	$ 5,456	$ 5,734
Fisheries inventory	-	-	-	6,506	6,506	-
Program support	-	-	-	24,952	24,952	41,457
Riparian	-	-	-	300	300	-
Water quality	-	-	-	14,899	14,899	23,466
Works co-ordinator	-	-	-	11,266	11,266	20,564
Capital works	-	-	-	42,400	42,400	63,810
Channel maintenance	27,811	55,281	322	-	83,414	205,377
Crossings	10,663	8,771	-	-	19,434	47,936
Flood repairs	-	-	-	-	-	12,236
Structure replacement	34,031	527,506	20,575	-	582,112	617,897
	$ 72,505	$ 591,558	$ 20,897	$ 105,779	$ 790,739	$1,038,477

COOKS CREEK CONSERVATION DISTRICT NO. 5

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2000

	Total Expenditures	External	Provincial	Local
PROGRAM MANAGEMENT				
General	$ 66,416	$ 16	$ 49,800	$ 16,600
Other	3,880	1,821	-	2,059
	70,296	1,837	49,800	18,659
PUBLIC EDUCATION	9,954	659	6,971	2,324
SUB-DISTRICT PROGRAMS				
Capital works	42,400	2,317	30,062	10,021
Channel maintenance	83,412	10,079	55,000	18,333
Crossings	19,433	5,200	10,675	3,558
Structure replacement	582,112	601,276	(14,373)	(4,791)
	727,357	618,872	81,364	27,121
BOARD PROGRAMS				
Works and survey crew	36,218	3,212	24,174	8,832
Fisheries inventory	6,505	4,500	1,504	501
Water quality	14,900	16,289	(1,042)	(347)
Abandoned wells	5,455	5,022	325	108
Riparian demonstration	300	300	-	-
	63,378	29,323	24,961	9,094
TOTAL	870,985	650,691	163,096	57,198
ASSETS				
Office equipment and computer software	4,187	-	3,140	1,047
TOTAL EXPENDITURES	$ 875,172	$ 650,691	$ 166,236	$ 58,245

PROVINCIAL GRANT RECEIVABLE/PAYABLE SUMMARY	
1999/2000 Grant received	$ 192,000
Less: share of expenditures	166,236
DECREASE IN UNFUNDED DEFICIT	$ 25,764

PEMBINA VALLEY CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2000

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AUDITOR'S REPORT

TO THE MEMBERS:
PEMBINA VALLEY CONSERVATION DISTRICT

I have audited the balance sheets of Pembina Valley Conservation District as at March 31, 2000 and the statements of changes in surplus, revenue and expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

Except as explained in the following paragraph, I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The Province of Manitoba has not approved the funding of 1995, 1997, 1999 and 2000 over-expenditures. As a result I am unable to confirm or verify by alternative means the unfunded deficit included in the financial statements totalling $89,522. Accordingly, I was not able to determine whether any adjustment might be necessary to unfunded deficit, revenue, expenditures and excess of revenue over expenditures.

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself with respect to the balance of the unfunded deficit described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the District as at March 31, 2000 and the results of its operations and the changes in its surplus and financial position for the year then ended in accordance with generally accepted accounting principles.

Jim M Smith

CHARTERED ACCOUNTANT INC.

Winkler, Manitoba
June 15, 2000

PEMBINA VALLEY CONSERVATION DISTRICT

BALANCE SHEET

MARCH 31, 2000

ASSETS

	2000	1999
CURRENT		
Cash	$ 12,438	$ 56,877
Accounts receivable	92,640	45,009
Prepaid expenses	6,425	2,463
Inventory	30,070	25,689
	141,573	130,038
UNFUNDED DEFICIT (note 2)	89,522	58,334
CAPITAL (note 3)	150,501	177,677
	$ 381,596	$ 366,049

APPROVED BY

______________________________ Director

______________________________ Director

PEMBINA VALLEY CONSERVATION DISTRICT

BALANCE SHEET

MARCH 31, 2000

LIABILITIES

	2000	1999
CURRENT		
Accounts payable and accrued	$ 30,325	$ 3,571
Unearned revenue (note 4)	28,220	39,178
Due to donation fund	104	104
	58,649	42,853

SURPLUS

SURPLUS (page 5)	322,947	323,196
	$ 381,596	$ 366,049

Credit facilities (note 8)

Commitment (note 9)

PEMBINA VALLEY CONSERVATION DISTRICT

DONATION FUND BALANCE SHEET

MARCH 31, 2000

ASSETS

	2000	1999
CURRENT		
Cash	$ 6,909	$ 7,280
Due from operating fund	104	104
	$ 7,013	$ 7,384

SURPLUS

	2000	1999
SURPLUS (note 6)	$ 7,013	$ 7,384

APPROVED BY

______________________ Director

______________________ Director

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF CHANGES IN SURPLUS

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
Surplus, beginning of year	**$ 323,196**	$ 306,366
Excess (deficiency) of revenue over expenditures	**(2,166)**	5,062
Transfer capital expenditures to capital assets	**1,917**	11,768
SURPLUS, END OF YEAR (note 5)	**$ 322,947**	$ 323,196

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF REVENUE AND EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
REVENUE		
Provincial grants		
Rural Development - funded	$ 220,000	$ 200,000
- unfunded	31,188	48,742
Municipal levies		
Rural Municipality of Lorne	26,851	26,868
Rural Municipality of Louise	19,369	19,373
Rural Municipality of Pembina	22,272	22,265
Rural Municipality of Thompson	11,731	11,736
Rural Municipality of Roblin	8,260	8,398
Town levies		
Village of Crystal City	385	386
Village of Manitou	683	688
Village of Pilot Mound	463	472
Other funding - external	68,528	74,407
- local	6,024	23,918
Conservation Fund	4,000	59,600
National Soil and Water	79,123	45,484
Agricultural Sustainability	-	20,000
TTRII - Transportation Technology	-	65,200
Manitoba Habitat Heritage	3,080	4,320
Manitoba Environment	25,000	25,000
Manitoba Agriculture	13,000	16,500
Riparian Restoration Workshop	18,085	-
Village of Crystal City Reservoir	-	15,054
Other income	17,251	15,230
Rent income	-	7,700
Interest income	3,113	4,014
Other (note 10)	23,900	-
	602,306	715,355
EXPENDITURES (page 12)	604,472	710,293
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	$ (2,166)	$ 5,062

PEMBINA VALLEY CONSERVATION DISTRICT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
CASH PROVIDED BY (APPLIED TO):		
OPERATIONS		
Excess (deficiency) of revenue over expenditures	$ (2,166)	$ 5,061
Non-cash item included in expenditures		
Amortization	29,093	29,865
	26,927	34,926
Changes in non-cash working capital (note 7)	(40,178)	7,550
	(13,251)	42,476
FINANCING		
Increase in unfunded deficit	(31,188)	(48,742)
Transfer capital purchases to capital assets	1,917	11,768
	(29,271)	(36,974)
INVESTING		
Purchase of capital assets	(1,917)	(11,768)
DECREASE IN CASH	(44,439)	(6,266)
Cash, beginning of year	56,877	63,143
CASH, END OF YEAR	$ 12,438	$ 56,877

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

1. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the organization.

a) **Capital assets**

Capital assets are recorded at cost. Amortization is provided for in the accounts on a straight-line basis at the following rates:

Building	5%
Field equipment	15%
Office equipment	25%
Office furniture	15%
Surveying equipment	25%
Vehicles	15%

During the year. a Polaris Magnum ATV was purchased. The cost has been set up as a prepaid expense and is being transferred to capital assets over a three year period starting in 2000.

b) **Income taxes**

Pembina Valley Conservation District is a non-profit organization and is exempt from income taxes under section 149 of the Income Tax Act.

c) **Inventory**

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on a specific item basis.

2. UNFUNDED DEFICIT

Grants are received from the Province of Manitoba. A deficit results when District expenditures, which are cost-shared with the Province, exceed amounts for which funding has been received. Relevant details are as follows:

	2000	1999
Balance, beginning of year	$ 58,334	$ 9,592
Add: Provincial share of expenditures	251,188	248,742
Less: Provincial grant received	(220,000)	(200,000)
	$ 89,522	$ 58,334

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

3. CAPITAL ASSETS

	2000		1999	
	Cost	**Accumulated Amortization**	Cost	Accumulated Amortization
Land	**$ 53,532**	**$ -**	$ 53,532	$ -
Building	**45,853**	**5,964**	45,853	3,671
Field equipment	**84,663**	**61,281**	84,663	48,587
Office furniture and equipment	**36,031**	**22,322**	36,031	14,320
Surveying equipment	**3,658**	**2,712**	3,658	1,798
Vehicles	**36,052**	**17,009**	34,135	11,819
	259,789	**109,288**	257,872	80,195
Cost less accumulated amortization		**$ 150,501**		$ 177,677

4. UNEARNED REVENUE

	2000	1999
Fisheries Enhancement funds	**$ 7,500**	$ 16,777
Environmental Youth Club	**2,572**	5,000
Rural Municipality of Lorne levy	**6,711**	6,713
Rural Municipality of Louise levy	**4,842**	4,842
Town of Manitou levy	**684**	-
Rural Municipality of Roblin levy	**2,065**	2,065
Rural Municipality of Thompson levy	**-**	2,933
Village of Crystal City levy	**384**	385
Village of Pilot Mound levy	**462**	463
Special Conservation funds	**3,000**	-
	$ 28,220	$ 39,178

5. SURPLUS

The surplus has two components: a current surplus and a capital asset surplus. The current surplus is equal to current assets plus the unfunded deficit minus current liabilities. This money, which totalled $172,446 at March 31, is available to fund ongoing operations. The capital asset surplus is equal to the net book value of capital assets which totalled $150,501 at March 31. This surplus is not readily available to fund current operations.

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

6. DONATION FUND SURPLUS

Changes to the donation fund surplus during the year were as follows:

	2000	1999
Interest earned	$ 215	$ 334
Donations	-	111
Expenditures - trophies and scholarship	(586)	(598)
	$ (371)	$ (153)

7. CHANGES IN NON-CASH WORKING CAPITAL

	2000	1999
Increase (decrease) in cash from changes in:		
Accounts receivable	$ (47,631)	$ (29,421)
Prepaid expenses	(3,962)	(1,485)
Inventory	(4,381)	5,819
Accounts payable and accrued	26,754	(1,085)
Due to donation fund	-	104
Unearned revenue	(10,958)	33,618
	$ (40,178)	$ 7,550

8. CREDIT FACILITIES

The District has arranged for a line of credit authorized to a maximum of $30,000. Security consists of a promissory note and an assignment of book debts. Interest is charged at prime plus 1%.

9. COMMITMENT

Under the terms of an equipment lease the District is committed to payments of $2,974 every six months for the years 2000 - 2002.

PEMBINA VALLEY CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2000

10. OTHER REVENUE

	2000	1999
ARDI	$ 5,500	$ -
Manitoba Agriculture - Covering new ground	13,400	-
Manitoba Conservation - Enviro Youth Corporation	5,000	-
	$ 23,900	$ -

PEMBINA VALLEY CONSERVATION DISTRICT

SCHEDULE OF EXPENDITURES

FOR THE YEAR ENDED MARCH 31, 2000

	2000	1999
OPERATING		
Audit and legal	$ 927	$ 824
Amortization	29,093	29,865
Ducks Unlimited program	13,207	17,464
Insurance	1,795	2,020
Interest and bank charges	62	57
Inventory adjustment	(1,852)	178
National Soil and Water Conservation Program (N.S.W.C.P.)	51,038	32,772
Office	11,437	21,379
Public education	49,348	37,632
Repairs, maintenance and fuel	17,053	11,450
Soils miscellaneous	58,191	54,156
Soil projects	38,115	74,902
Telephone	4,327	5,495
TTRII - Culvert inventory project	-	65,200
Wages and benefits	127,809	90,001
Water management/planning	10,458	11,233
Water projects	170,120	228,673
Wildlife projects	21,427	15,224
	602,555	698,525
CAPITAL		
Vehicle	1,917	-
Building, equipment and trailer	-	11,768
	$ 604,472	$ 710,293

PEMBINA VALLEY CONSERVATION DISTRICT

SCHEDULE OF COST SHARING

FOR THE YEAR ENDED MARCH 31, 2000

	Total Expenditures	External	Provincial	Local
PROGRAM MANAGEMENT				
General	$ 190,651	$ 14,111	$ 110,539	$ 66,001
PUBLIC EDUCATION	49,348	33,540	11,856	3,952
SOILS MISCELLANEOUS	58,191	37,648	15,408	5,135
SUB-DISTRICT PROJECTS				
Soil	38,115	18,381	14,801	4,933
Water	170,120	52,139	88,486	29,495
Wildlife	21,427	19,027	1,801	599
	229,662	89,547	105,088	35,027
BOARD PROGRAMS				
Water management	10,458	-	7,844	2,614
N.S.W.C.P.	51,038	51,038	-	-
Ducks Unlimited	13,207	13,207	-	-
	74 703	64,245	7,844	2,614
TOTAL	602,555	239,091	250,735	112,729
ASSETS				
Inventory	4,381	5,694	(985)	(328)
Building, equipment & trailer	1,917	-	1,438	479
	6,298	5,694	453	151
TOTAL EXPENDITURES	$ 608,853	$ 244,785	$ 251,188	$ 112,880

PROVINCIAL GRANT RECEIVABLE/PAYABLE SUMMARY	
1999/2000 Grant received	$ 220,000
Less: share of expenditures	251,188
INCREASE IN UNFUNDED DEFICIT	$ (31,188)

WEST SOURIS RIVER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2000

MEYERS NORRIS PENNY

MNP
MEYERS NORRIS PENNY

The Members
West Souris River Conservation District

AUDITORS' REPORT

We have examined the statement of financial position of the West Souris River Conservation District as at March 31, 2000 and the statements of operations and changes in cash flows for the year then ended. These financial statements are the responsibility of the district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The statement of operations has not combined the transactions of the bursary fund or other restricted funds with those of the Revenue fund. Had the statement of operations included the changes in net assets restricted for bursary purposes and the changes in other internally restricted net assets, the excess of expenses over revenues would have been $34,043 (1999, $17,852).

In our opinion, except that the statement of operations does not include the changes in internally restricted net assets or changes in net assets restricted for bursary purposes as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the district as at March 31, 2000 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny

August 9, 2000

Chartered Accountants

WEST SOURIS RIVER CONSERVATION DISTRICT

STATEMENT 1

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2000

	1999	2000
ASSETS		
CURRENT		
Cash	1,204	**20,388**
Accounts receivable (Note 2)	30,395	**12,636**
Inventory	2,138	**2,394**
	33,737	**35,418**
CASH - RESTRICTED	23,213	**23,317**
CAPITAL ASSETS (Note 3)	127,396	**199,830**
OTHER		
Patronage equity account	469	**614**
	184,815	**259,179**
LIABILITIES		
CURRENT		
Accounts payable and accruals	9,461	**18,151**
Deferred revenue	39,216	**33,466**
Current portion of long term debt	10,574	**10,000**
	59,251	**61,617**
LONG TERM DEBT (Note 4)	8,203	**114,244**
NET ASSETS		
UNRESTRICTED NET ASSETS (NOTE 5)		
Balance - Beginning of year	80,360	**61,428**
Excess of expenses over revenues	18,932	**34,147**
Balance - End of year	61,428	**27,281**
INTERNALLY RESTRICTED NET ASSETS (Note 6)	32,720	**32,720**
NET ASSETS RESTRICTED FOR BURSARY PURPOSES (Note 7)	23,213	**23,317**
	184,815	**259,179**

ON BEHALF OF THE BOARD:

.... DIRECTOR

.... DIRECTOR

WEST SOURIS RIVER CONSERVATION DISTRICT

STATEMENT 2

STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2000

	1999	2000
REVENUES		
Grants (Note 8)	206,495	201,482
Municipal Levies (Note 9)	35,545	41,320
Programs	119,243	112,879
Employment projects	2,911	2,310
Equipment rental	16,094	10,923
Interest and patronage allocations	1,067	1,153
Other	5,532	4,802
TOTAL REVENUES	386,887	374,869
EXPENSES		
General and administration		
Bad debts	-	112
Heat, light and water	1,223	1,887
Insurance and licences	3,607	4,163
Interest and bank charges	449	1,662
Memberships	1,167	1,252
Office	9,390	11,584
Professional fees	750	750
Rent	7,846	5,150
Telephone	5,951	5,209
Wages and employee benefits	79,423	96,857
	109,806	128,626
Program delivery costs		
Advertising	5,446	4,838
Amortization	23,115	26,115
Board remuneration	7,565	10,193
Equipment maintenance	18,176	13,706
Forage Program	73,222	75,932
General	2,084	1,186
GIS Resource Management	2,458	4,737
Public education - general	9,822	9,639
- school programs	5,063	-
- other	584	3,211
Repairs and maintenance	522	697
Seminar and conferences	-	5,145
Shelterbelts and salinty program	4,449	-
Staff expenses	1,519	-
Truck	7,410	8,370
Sub-district programs (Schedule 1)	134,578	106,230
	296,013	269,999
TOTAL EXPENSES	405,819	398,625
LOSS FROM OPERATIONS	18,932	23,756
OTHER EXPENSE		
Loss on disposal of capital assets	-	10,391
EXCESS OF EXPENSES OVER REVENUES	18,932	34,147

WEST SOURIS RIVER CONSERVATION DISTRICT

STATEMENT 3

STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2000

CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES	1999	2000
OPERATING		
Excess of expenses over revenues	(18,932)	(34,147)
Amortization	23,115	26,115
Patronage allocations, net of withholding taxes	(165)	(145)
Loss on disposal of capital assets	-	10,391
	4,018	2,214
Changes in working capital accounts		
Accounts receivable	(12,320)	17,759
Inventory	(1,507)	(256)
Accounts payable and accruals	(8,700)	8,690
Deferred revenue	39,216	(5,750)
	20,707	22,657
FINANCING		
Payment of long-term debt	(10,662)	(18,777)
New long-term financing	15,500	124,244
	4,838	105,467
INVESTING		
Additions to capital assets	(30,787)	(127,090)
Proceeds on disposal of capital assets	-	18,150
	(30,787)	(108,940)
INCREASE (DECREASE) IN CASH FLOWS	(5,242)	19,184
CASH RESOURCES, BEGINNING OF YEAR	6,446	1,204
CASH RESOURCES, END OF YEAR	1,204	20,388

WEST SOURIS RIVER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2000

IOTE 1 - ACCOUNTING POLICIES

he West Souris River Conservation District was incorporated under the laws of the Province of Manitoba, stablished primarily for the purpose of providing programs and education for the conservation of soil, water nd wildlife.

he financial statements have been prepared in accordance with generally accepted accounting principles xcept that a summary statement combining the operations of the Revenue fund, the Bursary fund and the estricted funds has not been provided. Significant accounting policies include the following:

NVENTORY
nventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out nethod.

EQUIPMENT
Equipment is recorded at cost. Donated equipment is recorded at estimated fair market value. Amortization s provided using the following methods at rates intended to amortize the cost of the assets over their stimated useful lives. The annual rates are as follows:

	Method	Rate
Building	straight-line	5%
Equipment - self-propelled	straight-line	15%
- pull-type	straight-line	10%
- office	straight-line	10%

EQUIPMENT GRANTS
Claims for assistance under various equipment grant programs are reflected as revenue in the period in which eligible expenses are incurred.

IOTE 2 - ACCOUNTS RECEIVABLE	1999	2000
Trade accounts	13,645	7,392
Province of Manitoba (Schedule 3)	7,506	3,045
Province of Manitoba (R.M. of Cameron)	8,850	-
Other	394	2,199
	30,395	12,636

NOTE 3 – CAPITAL ASSETS

	1999	2000		
	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Building		124,244	6,212	118,032
Equipment - self-propelled	29,591	61,160	40,194	20,966
- pull-type	74,552	74,040	33,706	40,334
- office	22,929	33,218	12,720	20,498
Leasehold improvements	324			
	127,396	292,662	92,832	199,830

NOTE 4 – LONG TERM DEBT

	1999	2000
Term loan	13,143	
Note payable	5,634	
Mortgage payable guaranteed by various Rural Municipalities bearing interest at prime minus ¾%.	NIL	124,244
	18,777	124,244
Less: Current portion	10,574	10,000
	8,203	114,244

Principal repayments are estimated as follows:

2001	10,000
2002	12,000
2003	12,000
2004	12,000
2005	12,000

NOTE 5 - UNRESTRICTED NET ASSETS

The unrestricted net assets are the total assets and liabilities of the Revenue Fund. These net assets include working capital, equipment and respective long term debt.

	1999	2000
Operating deficit	(47,191)	(48,305)
Equity in capital assets	108,619	75,586
	61,428	27,281

WEST SOURIS RIVER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2000

NOTE 6 - INTERNALLY RESTRICTED NET ASSETS	1999	2000
	32,720	32,720

NOTE 7 - NET ASSETS RESTRICTED FOR BURSARY PURPOSES	1999	2000
Balance - Beginning of year	22,133	23,213
Add: Interest	1,080	1,104
	23,213	24,317
Less: Scholarships paid	-	(1,000)
Balance - End of year	23,213	23,317

NOTE 8 – GRANTS	1999	2000
Action 21 - Grazing Project	3,248	2,038
Agricultural Sustainability Program	10,128	3,150
Ducks Unlimited	30,420	5,299
Fisheries Enhancement Grant	4,683	6,600
Interprovincial Pipeline Inc.	3,542	-
National Soil and Water Program	11,788	11,056
Province of Manitoba – Rural Development	142,686	163,539
Rural Water Development Program	-	2,000
Special Conservation Fund	-	7,800
	206,495	201,482

NOTE 9 - MUNICIPAL LEVIES	1999	2000
R.M. of Albert	6,522	6,570
R.M. of Cameron	2,270	9,080
R.M. of Edward	7,154	7,150
R.M. of Pipestone	13,144	11,900
R.M. of Sifton	6,455	6,620
	35,545	41,320

NOTE 10 - FUNDS HELD IN TRUST

Funds held in trust and administered by the West Souris River Conservation District are as follows:

	1999	2000
Grazing Project	13,520	188

NOTE 11 - UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems that use certain dates in 1999 to represent something other than a date.

The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000. If not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure that could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.

WEST SOURIS RIVER CONSERVATION DISTRICT

SCHEDULE 1

SCHEDULE OF EXPENSES - SUB-DISTRICT PROGRAMS
YEAR ENDED MARCH 31, 2000

	2000								1999
	Plum Creek	Stoney Creek	Jackson Creek	Gainsborough/ S. Antler	N. Pipestone/ Sifton	Central Souris River	Elgin Creek	Total	
CPS projects									317
Soil projects	8,446	7,474	4,811	4,656	2,716	3,570	2,304	33,977	41,419
Urban Tree projects	3,574							3,574	3,109
Water projects	10,860	10,435	1,309	18,399		3,716	1,257	45,976	63,881
Wildlife projects	2,326	1,763	160	50	2,075			6,374	13,272
Recreation projects	13,817							13,817	2,853
Grazing projects				2,512				2,512	9,727
	39,023	19,672	6,280	25,617	4,791	7,286	3,561	106,230	134,578

WEST SOURIS RIVER CONSERVATION DISTRICT

SCHEDULE 2

SCHEDULE OF COST SHARING
MARCH 31, 2000

	Total Expenditures	External	Provincial	Local
PROGRAM MANAGEMENT				
General	174,250	9,032	96,535	68,683
WATER PROGRAMS	51,166	21,693	22,105	7,368
WILDLIFE	21,884	15,503	4,786	1,595
SOILS	131,929	29,822	20,234	81,873
PUBLIC EDUCATION	29,787	7,009	17,083	5,695
TOTAL	409,016	83,059	160,743	165,214
ASSETS				
Truck	5,634		4,225	1,409
Trailer	187		140	47
Computer	2,109		1,582	527
Case mower	550		413	137
Inventory	256		192	64
Office building	124,244			124,244
Edwards drill (disposal)	13,142	18,150	(3,756)	(1,252)
	555,138	101,209	163,539	290,390

WEST SOURIS RIVER CONSERVATION DISTRICT

SCHEDULE 3

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
MARCH 31, 2000

PROVINCIAL GRANT, 1999 -2000	168,000
LESS, 1998 - 1999 Provincial Grant Receivable	7,506
	160,494
LESS, 1999 - 2000 Allocated Grant (Schedule 2)	163,539
PROVINCIAL GRANT RECEIVABLE, 1999 -2000	3,045

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8

FINANCIAL STATEMENTS

For the year ended 31st March 2000

Bellas
&
Reid

Bellas & Reid
CHARTERED ACCOUNTANTS

Kenneth W. Bellas, B.Sc., C.A.
204 Rosser Avenue, Brandon, MB R7A 0J9 Phone: (204) 727-5746 Fax: (204) 727-5264

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(204) 842-5388

AUDITORS' REPORT

TO the Board of Directors of the
Upper Assiniboine River Conservation District No. 8:
Miniota, Manitoba

We have audited the balance sheet of **Upper Assiniboine River Conservation District No. 8** as at **31st March 2000** and the statements of revenue, expenditure and surplus and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization **AS AT 31ST MARCH 2000** and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting principles.

Our audit opinion does not extend to the Schedule of Provincial Contributions presented by the District.

Russell, Manitoba
May 18, 2000

CHARTERED ACCOUNTANTS

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
BALANCE SHEET
As at 31st March 2000

	2000	1999
ASSETS		
CURRENT		
Cash	$ 34,110	$ 59,890
Accounts receivable	68,786	29,249
GST receivable	4,387	3,565
Grant receivable - Prov of MB (Schedule - Page 9)	3,024	2,162
Inventories(Note 1)	4,933	3,168
Prepaid expenses	3,126	524
	118,366	98,558
CAPITAL ASSETS (Notes 1 and 2)	50,497	46,113
PATRONAGE DIVIDENDS	466	166
	$ 169,329	$ 144,837
LIABILITIES		
CURRENT		
Accounts payable	$ 81,382	$ 71,318
SURPLUS		
SURPLUS	87,947	73,519
	$ 169,329	$ 144,837

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS
For the year ended 31st March 2000

	2000	1999
REVENUE		
Province of Manitoba grant	$ 165,862	$ 144,527
Municipal grants (Note 4)	47,620	47,556
Landowner	30,240	19,307
External Funding	79,517	91,872
Interest	2,538	2,185
	325,777	305,447
EXPENDITURE		
Wildlife	4,500	28
Office operation	23,777	22,052
Public education	15,948	13,715
Soil programs	77,757	87,102
Program support	101,131	80,810
Water programs	88,236	84,954
	311,349	288,661
NET INCOME FOR YEAR	14,428	16,786
SURPLUS, BEGINNING OF YEAR	73,519	56,733
SURPLUS, END OF YEAR	$ 87,947	$ 73,519

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
STATEMENT OF CASH FLOWS
For the year ended 31st March 2000

	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for year	$ 14,428	$ 16,786
Adjustments for		
Amortization	8,386	6,662
Changes in non-cash working capital (Note 3)	(35,525)	(7,656)
	(12,711)	15,792
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	(12,769)	(11,657)
Change in other long-term assets	(300)	
	(13,069)	(11,657)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(25,780)	4,135
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	59,890	55,755
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 34,110	$ 59,890

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
NOTES TO FINANCIAL STATEMENTS
For the year ended 31st March 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Inventories

Inventory is valued at the lower of cost and net realizable value determined by the first-in, first-out method.

Capital Assets

Capital assets are recorded at cost.

Amortization on capital assets is calculated on a declining basis at 15% per annum and pro rated in the year of acquisition.

2. CAPITAL ASSETS

	Balance, Beginning of Year	Additions	Disposals	Balance, End of Year
Office Equipment	$ 24,637	1,657		$ 26,294
Automotive Equipment	28,595			28,595
Trailer Equipment	545			545
Surveying Equipment	6,419	7,477		13,896
Water Testing		3,636		3,636
	60,196	12,770		72,966
ACCUMULATED AMORTIZATION				
Office Equipment	5,356	3,037		8,393
Automotive Equipment	8,452	3,022		11,474
Trailer Equipment	151	59		210
Surveying Equipment	124	1,950		2,074
Water Testing		318		318
	14,083	8,386		22,469
NET BOOK VALUE	$ 46,113			$ 50,497

3. CHANGES IN NON-CASH WORKING CAPITAL

	2000	1999
Change in cash from changes in:		
Accounts receivable	$ (39,537)	$ (20,541)
Inventories	(1,765)	(3,044)
Prepaid expenses	(2,602)	(523)
Other assets	(1,684)	(1,499)
Deferred expenses		(166)
Accounts payable	10,063	18,117
	$ (35,525)	$ (7,656)

4. Municipal Grants

Grants received from local government involvement in the conservation district were the following:

	2000	1999
R.M. of Birtle	$ 10,310	$ 10,311
R.M. of Rossburn	6,314	6,317
R.M. of Hamiota	8,640	8,641
R.M. of Miniota	8,546	8,545
R.M. of Ellice	4,673	4,670
R.M. of Shoal Lake	6,753	6,697
Village of Hamiota	472	465
Town of Rossburn	385	384
Town of Shoal Lake	923	916
Town of Birtle	604	610
	$ 47,620	$ 47,556

5. Registered Charity

Upper Assiniboine River Conservation District No. 8 is now a registered charity. The conservation district is now capable of issuing out charitable donation receipts. There is no change to the GST method of reporting, the rebate allowed still falls under municipal government at 57.14%.

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
SCHEDULE OF PROVINCIAL GRANT RECEIVABLE/PAYABLE
For the year ended 31st March 2000

	2000	1999
Grant – Province of Manitoba	165,000	145,000
Less: Prior year receivable	2,162	2,634
GRANT RECEIVED	**162,838**	**142,366**
Less: Provincial Allocation	165,862	144,528
RECEIVABLE – PROVINCE OF MANITOBA	**3,024**	**2,162**

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
SCHEDULE OF PROVINCIAL CONTRIBUTIONS
For the year ended 31st March 2000

PROJECTS & PROGRAMS	Amount	Provincial Allocation	District Share	External
OFFICE OPERATING COSTS				
Insurance	1,158	868	290	
Telephone/Cellular Phone	4,466	3,350	1,116	
Office Supplies/Computer	4,074	3,056	1,018	
Office Cleaning	1,800	1,350	450	
MCDA Dues	1,243	932	311	
Rent	1,800	1,350	450	
Accounting & Legal	850	637	213	
Amortization	8,386		8,386	
	23,777	**11,543**	**12,234**	
PROGRAM SUPPORT				
Staff Wages	70,892	44,275	14,758	11,859
Staff Expenses	8,442	6,332	2,110	
Board Remuneration	14,331	10,749	3,582	
Insurance/Maintenance/Gas	6,316	4,597	1,532	187
Garage Rental	145	109	36	
Small Tools	488	366	122	
Survey Supplies	517	388	129	
	101,131	**66,816**	**22,269**	**12,046**
PUBLIC EDUCATION				
Prints/Audio/Visual	435	326	109	
Conference & Training	3,342	2,506	836	
Newsletters	1,944	1,458	486	
Signage	92	69	23	
Grand Opening/Parades/Display/Tours	1,785	1,339	446	
DU Evaluation	1,000	750	250	
Management Plan	1,317	988	329	
Water Monitoring Supplies	2,183	737	246	1,200
Promotional Items	1,697	1,273	424	
Advertising	2,153	1,615	538	
	15,948	**11,061**	**3,687**	**1,200**
SOIL PROGRAMS				
Landowner Seed	50,494	25,247	25,247	
Shelterbelt	1,062	796	266	
Forage Plot/District Seed	2,848	486	162	2,200
Seeder Maintenance	2,518			2,518
0-Till Drill/Salinity Seed	14,414			14,414
Rotational Grazing/Twice Over Grazing	6,421			6,421
	77,757	**26,529**	**25,675**	**25,553**
BALANCE FORWARD	**218,613**	**115,949**	**63,865**	**38,799**

UPPER ASSINIBOINE RIVER CONSERVATION DISTRICT NO. 8
SCHEDULE OF PROVINCIAL CONTRIBUTIONS
For the year ended 31st March 2000

BALANCE FORWARD	**218,613**	**115,949**	**63,865**	**38,799**
WILDLIFE				
Snake Dens	4,500			4,500
	4,500			**4,500**
WATER PROGRAMS				
Abandoned Wells	3,134	850	284	2,000
Alternative Water System/Erosion Control	11,228			11,228
Grassed Runways/Shale Traps	11,994	5,051	1,684	5,259
Small Dams/Others	41,364	20,453	6,818	14,093
Maintenance	8,317	6,236	2,081	
Surveying Costs	12,199	9,149	3,050	
	88,236	**41,739**	**13,917**	**32,580**
ASSETS PURCHASED				
Inventory	1,765	1,324	441	
Survey Equipment	7,477	5,608	1,869	
Water Quality Testing Equipment	3,636			3,636
Computer Upgrade	1,656	1,242	414	
	14,534	**8,174**	**2,724**	**3,636**
TOTAL EXPENDITURE	**325,883**	**165,862**	**80,506**	**79,515**

APPENDIX I

INTERMOUNTAIN CONSERVATION DISTRICT

FINANCIAL STATEMENTS

As at March 31st, 2000

MNP
MEYERS NORRIS PENNY

AUDITORS' REPORT

We have audited the Statement of Financial Position of Intermountain Conservation District as at March 31st, 2000 and the Statements of Changes in Net Assets, Operations, and Cash Flows for the year then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the District as at March 31st, 2000 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny

CHARTERED ACCOUNTANTS

Dauphin, Manitoba
June 26th, 2000

STATEMENT "1"

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF FINANCIAL POSITION
As at March 31st, 2000

		2000	1999
ASSETS			
CURRENT			
Temporary Investments	$	16,296	
Accounts Receivable		53,458	16,255
Inventory		3,135	43,821
Prepaid Expenses			1,315
		72,889	61,391
INVESTMENTS		9,630	9,630
CAPITAL ASSETS (Note 3)		139,158	55,253
	$	221,677	126,274
LIABILITIES			
CURRENT			
Bank Overdraft	$	31,709	23,925
Deferred Contributions		23,590	
Accounts Payable		75,000	1,628
		130,299	25,553
NET ASSETS			
NET ASSETS		91,378	100,721
	$	221,677	126,274

Approved by the Board

______________________ Director

______________________ Director

STATEMENT "2"

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF CHANGES IN NET ASSETS
For the Year Ended March 31st, 2000

		2000	1999
NET ASSETS, BEGINNING OF YEAR	$	100,721	90,101
Excess of Revenue over Expenditures (Expenditures over Revenue)		(9,343)	10,620
NET ASSETS, END OF YEAR	$	91,378	100,721

STATEMENT "3"

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF OPERATIONS
For the Year Ended March 31st, 2000

		2000	1999
REVENUE			
Municipal Levies	$	33,018	24,752
Town Levies		14,361	9,502
Provincial Grant		121,000	103,901
Land Owner		77,888	25,225
Other Revenue		37,351	29,934
		283,618	193,314
EXPENDITURES (Schedule "1")		292,961	182,694
EXCESS OF REVENUE OVER EXPENDITURES (EXPENDITURES OVER REVENUE)	$	(9,343)	10,620

STATEMENT "4"

INTERMOUNTAIN CONSERVATION DISTRICT

STATEMENT OF CASH FLOWS
For the Year Ended March 31st, 2000

		2000	1999
CASH PROVIDED BY (APPLIED TO):			
OPERATING			
Excess of Revenues over Expenditures (Expenditures over Revenues)	$	(9,343)	10,620
Non-Cash Items included in Expenditures			
Amortization		10,435	9,372
		1,092	19,992
Changes in Non-Cash Working Capital			
Temporary Investments		(16,296)	
Accounts Receivable		(37,201)	(14,083)
Inventory		40,685	(42,863)
Prepaid Expenses		1,314	44,895
Accounts Payable		73,372	1,011
Other		23,591	
		86,557	8,952
INVESTING			
Purchase of Capital Assets		(94,341)	(10,043)
DECREASE IN CASH		(7,784)	(1,091)
CASH (DEFICIT), BEGINNING OF YEAR		(23,925)	(22,834)
CASH (DEFICIT), END OF YEAR	$	(31,709)	(23,925)

INTERMOUNTAIN CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
March 31st, 2000

1. INCORPORATION AND COMMENCEMENT OF OPERATIONS

The Intermountain Conservation District was incorporated under the laws of the Province of Manitoba and commenced operations on July 15, 1997.

ORGANIZATION

The Intermountain Conservation District operates under the authority of The Conservation Districts Act. The objectives for the District under the Act are to provide for the conservation control and prudent use of resources.

INTERMOUNTAIN CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
March 31st, 2000

2. ACCOUNTING POLICIES

The financial statements have been prepared on a going concern basis in accordance with generally accepted accounting principles and include the following significant accounting policies:

INVESTMENTS
Investments are recorded at the lower of cost and net realizable value.

CAPITAL ASSETS
Capital assets are recorded at cost. Amortization is provided on a straight line basis over the estimated useful lives of the assets. The useful lives, with no salvage value are estimated as:

Automotive	8 years
Office Furniture	15 years
Office Equipment and Signs	5 years
Field Equipment	10 years

INCOME TAXES
Intermountain Conservation District is a not-for-profit organization and is exempt from income taxes under Section 149 of the Income Tax Act.

REVENUE RECOGNITION
The financial statements have been prepared following the deferral method of accounting for contributions. Restricted contributions are recognized in the year to which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received.

MEASUREMENT UNCERTAINTY
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

FINANCIAL INSTRUMENTS
The organization's financial instruments include instruments with short and long-term maturities. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate and credit risks arising from these instruments.

INTERMOUNTAIN CONSERVATION DISTRICT

NOTES TO FINANCIAL STATEMENTS
March 31st, 2000

3. CAPITAL ASSETS

		Original	Accumulated	Net Book Value	
		Cost	Amortization	2000	1999
Land	$	5,000		5,000	
Automotive		39,033	11,216	27,817	32,696
Buildings		80,000		80,000	
Furniture, Equipment and Signs		37,272	10,931	26,341	22,557
	$	161,305	22,147	139,158	55,253

4. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems that use certain dates in 1999 to represent something other than a date.

Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers or other third parties, have been fully resolved.

SCHEDULE "1"

INTERMOUNTAIN CONSERVATION DISTRICT

SCHEDULE OF EXPENDITURES
For the Year Ended March 31st, 2000

		2000	1999
Accounting and Legal	$	2,041	1,449
Advertising and Promotion		6,641	5,291
Amortization		10,435	9,372
Bank Charges		179	188
Equipment Maintenance		589	293
IMCD Remuneration		13,027	13,869
Insurance		2,698	2,686
MCDA Dues and Subscriptions		1,255	1,319
Meetings and Conventions		2,851	4,231
Office Supplies		5,503	3,881
Public Relations and Education		16,630	
Recreation and Tourism		320	97
Rent		3,130	2,710
Soils Program		122,393	46,739
Staff Wages and Benefits		48,062	39,800
Telephone		1,240	1,673
Vehicle Maintenance		5,245	2,972
Water Program		50,480	45,931
WCB Coverage		242	193
	$	292,961	182,694

INTERMOUNTAIN CONSERVATION DISTRICT

SCHEDULE "2"

SCHEDULE OF COST SHARING
For the year ended March 31st, 2000

	EXPENDITURES	COST/SHARE			EXTERNAL	PROVINCIAL	LOCAL
PROGRAM MANAGEMENT							
Accounting and legal	$ 2,041	-	75	25	-	1,531	510
Bank charges	179	-	-	100	-	-	179
Equipment maintenance	589	-	75	25	-	442	147
IMCD remuneration	13,027	-	75	25	-	9,770	3,257
Insurance	2,698	-	75	25	-	2,024	675
MCDA dues and subscriptions	1,255	-	75	25	-	941	314
Office supplies	5,501	-	75	25	-	4,125	1,375
Rent	3,130	-	75	25	-	2,348	783
Staff wages and benefits	48,062	4	72	24	1,950	34,584	11,528
Telephone	1,240	-	75	25	-	930	310
Vehicle maintence	5,245	-	75	25	-	3,934	1,311
WCB coverage	243	-	75	25	-	182	61
	83,211				1,950	60,812	20,449
PUBLIC EDUCATION							
Advertising and promotion	6,641	-	75	25	-	4,981	1,660
Education	904	56	33	11	510	296	99
Meetings and conventions	2,851	-	75	25	-	2,138	713
Duck Mountain study	5,000	-	75	25	-	3,750	1,250
Bushell of berries	10,726	93	5	2	9,994	548	184
	26,122				10,504	11,713	3,905
SOILS PROGRAM							
Abandoned Well program	6,085	33	35	32	2,000	2,114	1,972
Field gear	250	-	75	25	-	188	63
Forage seed	61,136	-	23	77		14,242	46,894
Grassed runway	11,420	17	49	34	1,920	5,621	3,880
Trees	1,216	-	75	25	-	912	304
	80,107				3,920	23,076	53,112
WATER PROGRAM							
Creek rehabilitation	6,662	53	34	13	3,500	2,293	869
Reparian works	4,453	34	40	26	1,500	1,776	1,177
Streambank stabilization	39,365	38	35	26	15,000	13,968	10,397
	50,480				20,000	18,037	12,443
RECREATION AND TOURISM							
Sifton boat launch	320	-	75	25	-	240	80
ASSETS							
Inventory	651	-	75	25	-	488	163
Capital Assets	16,613	-	75	25	-	4,960	11,653
	17,264				-	5,448	11,816
	$ 257,505				36,374	119,325	101,806

SCHEDULE "3"

INTERMOUNTAIN CONSERVATION DISTRICT

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
For the Year Ended March 31st, 2000

1998/1999 PROVINCIAL GRANT RECEIVABLE	$	5.783
Add: 1999/2000 Grant Allocated (Schedule "2")		119,325
		125,108
Deduct. Provincial Grant Received in 1999/2000		121,000
1999/2000 PROVINCIAL GRANT RECEIVABLE	$	4,108

KELSEY CONSERVATION DISTRICT

FINANCIAL STATEMENTS
(prepared with Audit)

MARCH 31, 2000

Prepared by the accounting firm of:
M. FAYE KOBELKA
Certified General Accountant

M. FAYE KOBELKA
CERTIFIED GENERAL ACCOUNTANT
BOX 1228
THE PAS, MB
R9A 1L2
TEL: 204-623-4664 FAX: 204-623-4686

Auditor's Report

To: The Board of Directors
KELSEY CONSERVATION DISTRICT

I have audited the statement of financial position of Kelsey Conservation District as at March 31, 2000 and the Statement of Operations and Changes in Net Assets for the year then ended. These financial statements are the responsibility of the District's Management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Generally Accepted Auditing Standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of Kelsey Conservation District as at March 31, 2000, and the results of its operations and the changes in it's financial position for the year then ended in accordance with Generally Accepted Accounting Procedures.

M Faye Kobelka

M. Faye Kobelka
Certified General Accountant

June 23, 2000

KELSEY CONSERVATION DISTRICT

COMPARATIVE STATEMENT OF FINANCIAL POSITION

Audited

	March 31	
	2000	1999 (1 month)
ASSETS		
CURRENT		
Cash	$ 18,820	$ 9
Accounts Receivable (note 3)	714	41
Inventories	113	715
	19,647	765
CAPITAL ASSETS (Note 5)	21,201	622
	$ 40,848	$ 1,387
LIABILITIES & FUND BALANCES		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses (note 4)	$ 17,150	$ 1,791
INVESTMENT IN CAPITAL ASSETS	21,201	622
FUND BALANCES		
General Operating Fund	2,497	(1,026)
	$ 40,848	$ 1,387

Approved on behalf of the Board

KELSEY CONSERVATION DISTRICT

COMPARATIVE STATEMENT OF OPERATIONS

Audited

	March 31	
	2000	**1999 (1 month)**
REVENUES		
Grant Contributions	$ 80,000	$ 3,000
	80,000	3,000
EXPENDITURES		
Advertising	1,847	-
Amortization	2,635	5
Convention	300	-
Honorariums	9,450	800
Insurance	250	-
Meetings	3,600	1,150
Office & Supplies	1,295	-
Professional Fees	1,242	-
Rent	2,450	-
Repairs & Maintenance	138	-
RM of Kelsey Fees	286	774
Telephone	1,323	-
Training	21	-
Travel	5,470	617
Wages & Benefits	25,592	58
	55,899	3,404
Excess / (Deficiency) of Revenues over Expenditures	$ 24,101	$ (404)

KELSEY CONSERVATION DISTRICT

COMPARATIVE STATEMENT OF CHANGES IN NET ASSETS

Audited **March 31**

	2000			1999
	Investment in Capital Assets	General Operating Fund	Total Funds	Total Funds
Balance, Beginning of Year	$ 623	$ (1,026)	$ (403)	$ -
Capital Transactions:				
Capital Asset Addition	23,213	(23,213)	-	-
Amortization	(2,635)	2,635	-	-
Excess / (Deficiency) of Revenue over Expenditures	-	24,101	24,101	(404)
Balance, End of Year	$ 21,201	$ 2,497	$ 23,698	$ (404)

1. Operations

Kelsey Conservation District operates under an established Board of Directors, who self select the positions within the Board. The Kelsey Conservation District was established primarily for the purpose of providing resource programs and planning for sustainable soil and water management within the RM of Kelsey.

The funding for their operations is provided on a Provincial (75%) and Municipal (25%) basis. Additional funds may be obtained through partnerships with external agencies.

2. Significant Accounting Policies

General

In accordance with generally accepted accounting principles, the organization utilized the accrual basis of accounting for all revenues and expenditures.

Fund Accounting

The organization maintains its accounts in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of the available resources are observed. Under fund accounting, resources are classified for accounting and reporting purposes into funds in accordance with specified activities or objectives. A general operating fund is used.

3. Accounts Receivable

GST refund	$ 714

4. Accounts Payable

Budget Car Rental	405
Opasquia Times	47
Linnett Geomatics	6945
Watershed	9000
Collins True Value	30
Audit Accrual	107
Wages payable	616
	$ 17,150

5. Capital Assets

Capital assets are recorded at cost. Amortization is recorded using the following method and rates as follows with 1/2 of the normal rate being used in the year of acquisition.

Equipment	20%	declining balance
Computer Hardware	30%	declining balance
Computer Software	20%	straight-line

	Cost	Accumulated Amortization	Net Book Value 2000	Net Book Value 1999
Equipment	$ 3,887	$ 455	$ 3,432	$ 623
Computer Hardware	3,784	568	3,216	-
Computer Software	16,170	1,617	14,553	-
	$ 23,841	$ 2,640	$ 21,201	$ 623

6. Statement of Changes in Financial Position

As the organization is reporting on a fund accounting basis, a statement of changes in financial position has not been included with these financial statements as its inclusion would not provide additional meaningful information.

M. FAYE KOBELKA
CERTIFIED GENERAL ACCOUNTANT
BOX 1228
THE PAS, MB
R9A 1L2
TEL: 204-623-4664 FAX: 204-623-4686

AUDITOR'S COMMENTS ON SUPPLEMENTARY INFORMATION

To the Executive of:
KELSEY CONSERVATION DISTRICT

The audited financial statements of Kelsey Conservation District as at March 31, 2000 and my report June 23, 2000 are presented in the preceding section of this report. The supplementary information presented hereafter was derived from the accounting records tested by me as part of the auditing procedures followed in my examination of the financial statements and, in my opinion, they are presented in all material respects in relation to the financial statements taken as a whole.

Kobelka

M. Faye Kobelka
Certified General Accountant

August 8, 2000

KELSEY CONSERVATION DISTRICT

SCHEDULE OF COST SHARING
(AUDITED)

March 31

	Total Expenditures	External	Provincial	Local
Administration	$ 52,943	$ -	$ 39,707	$ 13,236
Assets	2,635	-	1,976	659
Public Education	321	-	240	81
Total Expenditure	$ 55,899	$ -	$ 41,923	$ 13,976
1999 / 2000 Provincial Grants Received			65,000	
Less: Share of Expenditure			41,923	
			$ 23,077	

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

MARCH 31, 2000

MNP
MEYERS NORRIS PENNY

The Board of Directors
Little Saskatchewan River Conservation District

AUDITORS' REPORT

We have audited the statement of financial position of Little Saskatchewan River Conservation District as at March 31, 2000 and the statements of operations and changes in net assets for the fifteen months then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2000 and the results of its operations for the fifteen months then ended in accordance with generally accepted accounting principles.

Meyers Norris Penny
Chartered Accountants

May 16, 2000

1401 PRINCESS AVE., BRANDON, MB R7A 7L7 PH. (204) 727-0661 FAX (204) 726-1543

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

STATEMENT 1

STATEMENT OF FINANCIAL POSITION
MARCH 31, 2000

ASSETS

CURRENT	
Cash	5
Accounts receivable	13,499
GST receivable	1,352
	14,856
CAPITAL ASSETS (Note 2)	39,364
	54,220

LIABILITIES

CURRENT	
Bank indebtedness	10,330
Accounts payable	8,671
Deferred revenue	5,000
	24,001

NET ASSETS

INVESTED IN CAPITAL ASSETS	39,364
UNRESTRICTED NET ASSETS (DEFICIT)	(9,145)
	30,219
	54,220

ON BEHALF OF THE BOARD:

.... DIRECTOR

.... DIRECTOR

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

STATEMENT 2

STATEMENT OF OPERATIONS
FIFTEEN MONTHS ENDED MARCH 31, 2000

REVENUES	
Grants	
Province of Manitoba	103,257
Ducks Unlimited	9,500
Delta Waterfowl	3,930
Municipal levies (Note 3)	23,858
Interest	1,416
Land owner contributions	573
	142,534
EXPENSES	
GENERAL ADMINISTRATION	
Bank charges and interest	87
Freight	343
MCDA dues	929
Meals	749
MHHC	1,000
Newsletters	1,168
Office	4,359
Professional fees	1,821
Telephone	1,615
Training	1,461
Travel	3,871
Wages and benefits	38,020
	55,423
PROGRAM DELIVERY COSTS	
Advertising	3,068
Amortization	9,668
Board remuneration	11,226
Public education	5,340
Repairs and maintenance	2,840
Sub-district programs (Schedule 1)	24,750
	56,892
	112,315
EXCESS OF REVENUES OVER EXPENSES	30,219

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

STATEMENT 3

STATEMENT OF CHANGES IN NET ASSETS
FIFTEEN MONTHS ENDED MARCH 31, 2000

	Invested in Capital Assets	Unrestricted	**Total 2000**
Balance, beginning of period	-	-	-
Excess of revenues over expenes	(9,668)	39,887	**30,219**
Investment in capital assets	49,032	(49,032)	-
Net change	39,364	(9,145)	**30,219**
Balance, end of period	39,364	(9,145)	**30,219**

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FIFTEEN MONTHS MARCH 31, 2000

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1. OPERATIONS AND ACCOUNTING POLICIES

Little Saskatchewan River Conservation District was established by an Order-in-Council of the Province of Manitoba on January 1, 1999. The District receives funding from the Province of Manitoba and certain municipalities and is governed by a board of directors from the various municipalities involved in the Conservation District. The District is exempt from income taxes.

The financial statements have been prepared in accordance with generally accepted accounting principles and include the following significant accounting policies:

CAPITAL ASSETS

Capital assets are recorded at cost. Amortization is provided using the following method and rates intended to amortize the cost of the assets over their estimated useful lives. The annual rates are as follows:

	Method	Rate
Truck	straight line	15%
Computer equipment	straight line	25%

2. CAPITAL ASSETS

	2000		
	Cost	Accumulated Amortization	Net Book Value
Truck	25,900	3,885	22,015
Computer equipment	23,132	5,783	17,349
	49,032	9,668	39,364

3. MUNICIPAL LEVIES

Rural Municipality of Blanshard	4,983
Rural Municipality of Clanwilliam	2,117
Rural Municipality of Daly	4,888
Rural Municipality of Minto	2,550
Rural Municipality of Odanah	969
Rural Municipality of Saskatchewan	4,599
Town of Minnedosa	3,062
Town of Rivers	690
	23,858

4. STATEMENT OF CHANGES IN CASH RESOURCES

The Statement of Changes in Cash Resources has not been presented as it offers no additional information.

5. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date.

Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers or other third parties, have been fully resolved.

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

SCHEDULE 1

SCHEDULE OF EXPENDITURE - SUB-DISTRICT PROGRAMS
FIFTEEN MONTHS ENDED MARCH 31, 2000

UPPER OAK RIVER SUB-DISTRICT # 72	
Forage	3,670
Small dams	8,360
Well capping	85
Zero-till	2,100
	14,215
CENTRAL LITTLE SASKATCHEWAN RIVER SUB-DISTRICT # 81	
Forage	2,460
Small dams	822
Zero-till	1,500
	4,782
LOWER LITTLE SASKATCHEWAN RIVER SUB-DISTRICT # 82	
Forage	1,250
Small dams	1,563
Well capping	840
Zero-till	2,100
	5,753
	24,750

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

SCHEDULE 2

SCHEDULE OF COST SHARING
FIFTEEN MONTHS ENDED MARCH 31, 2000

	Total Expenditures	External	Provincial	Local
PROGRAM MANAGEMENT				
General	82,225	1,800	53,068	27,357
WATER PROGRAMS	11,670	6,503	3,875	1,292
SOILS	13,080	5,700	5,535	1,845
PUBLIC EDUCATION	5,340	-	4,005	1,335
TOTAL	112,315	14,003	66,483	31,829
ASSETS				
Office equipment	739	-	554	185
Computer/software	13,393	-	10,045	3,348
GIS software	9,000	-	6,750	2,250
Truck	25,900	-	19,425	6,475
	49,032	-	36,774	12,258
	161,347	14,003	103,257	44,087

LITTLE SASKATCHEWAN RIVER CONSERVATION DISTRICT

SCHEDULE 3

SCHEDULE OF PROVINCIAL GRANT RECEIVABLE
FIFTEEN MONTHS ENDED MARCH 31, 2000

PROVINCIAL GRANT, 1999-2000	90,000
LESS: 1999-2000 Allocated Grant (Schedule 2)	103,257
PROVINCIAL GRANT RECEIVABLE, 1999-2000	13,257